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West Europe Report

No. 1494



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WEST EUROPE REPORT

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PCF, PCB LEADERS AGREE ON 'EUROCOMMUNIST' GOALS

LD150825 Paris L'HUMANITE in French 3 Oct 79 p 7 LD

[Apparent text of PCF-Belgian CP Communique: "French and Belgian Communists: The Necessary Struggle for Disarmament"]

[Text] On the completion of the talks between Georges Marchais and Louis van Geyt, chairman of the Belgian Communist Party [PCB], the following statement was adopted:

The crisis affecting France and Belgium has increasingly grave consequences for the people's masses and the whole of society.

Circles which seek to jeopardize working class and democratic gains are coming up against a growing struggle--and not without results--on the part of the working class and the working people.

The two leaders reasserted their common will to act in the two peoples' immediate interests as well as for profound democratic changes and political solutions in accordance with the fundamental problems facing Belgium and France.

They stress that the core of their respective parties' strategies is the choice of a democratic path toward a socialism based on democracy and pluralism.

These orientations, which form the basis of what is known as Eurocommunism, are brought into operation quite independently in each party's political activity.

Particular attention was brought to bear on European problems. French and Belgian communists recall their determination to struggle to preserve the interests of their respective countries and peoples. On this basis they intend to work for a Europe of social progress based on renewed economic growth, on the priority development of employment and on the reduction of working hours and the improvement of living standards. It is their ambition to act

for a democratic Europe promoting the guarantee and extension of individual and collective freedoms. They reject plans for a so-called European defense.

During the conversation particular importance was attached to the struggle which is necessary to consolidate detente and move on to real disarmament measures, particularly in Europe.

The two leaders agreed to develop still further the broad, fraternal relations of cooperation and solidarity which exist between the PCF and the PCB and to contribute to the development of common or related initiatives with other workers' and democratic parties and national liberation movements.

CSO: 3100

ORVIK URGES ACCOMMODATION WITH ICELANDERS ON JAN MAYEN ISSUE

Oslo AFTENPOSTEN in Norwegian 17 Sep 79 p 2

[Commentary by Professor Nils Orvik: "Norway and the Jan Mayen Conflict"]

[Text] The excitement about the Icelandic prohibition against Norwegian capelin fishing in the contested zone near Jan Mayen may give the impression that new factors have entered the picture. That is not really the case. Iceland has made it clear from the first moment that it wants to maintain full control over its 200-mile boundary without any limitation of any kind. This would not be affected by possible exchange arrangements. The Icelandic Government is now doing what it has been saying all the time that it would do. It shows in action that the demand for national control is not a claim but a reality. The only thing new in the situation we now have is that we become forced to take them seriously. Iceland has thereby achieved the credibility for which all negotiating partners are striving.

It is easy--and unfortunately also justified--to say that we should have known this in advance. With the victorious tradition which the Icelanders have developed in the three cod wars they conducted against England it seems inconceivable that they would renounce parts of the 200-mile zone which they took the initiative for and fought so tremendously for earlier in the 1970's. It is one thing that the Norwegian Government misevaluated both the timing and the entire background for the Icelandic position; what is to be done now is something else. Of course it is necessary to negotiate, but about what, and on what background and with what point of departure?

The comments which have appeared, even from nonsocialist quarters indicate that one wants to continue in the old track and maintain the centerline in the elliptic area where the Icelandic 200-mile zone intersects the corresponding zone around Jan Mayen. One can understand this reaction. The center-line principle is important, especially in relation to the Soviet Union, where it forms the point of departure for the basis which Norway argues on in the battle about the division line in the Barents Sea. But does it therefore follow that it must also be upheld dogmatically and

without compromise in the relationship to Iceland too? Is there any possibility that this line will lead to those results which Norway hopes to achieve or will it only create even more complications?

Before we go into the details let us try to get a survey over what the two parties want to achieve in the Jan Mayen question. The statements which Icelandic politicians have made earlier can be summarized into three main requirements. First of all, Iceland demands full control over its entire 200-mile zone. Second, they want a regulation of the Jan Mayen area which would give Iceland a special position with comparatively larger fishing quotas than others. Under a condition of this type one may discuss joint arrangements. Thirdly, they want to prevent the establishment of a Norwegian 200-mile zone so as not to eliminate the possibilities for a possible later Icelandic development of the resources in the areas near Jan Mayen. It is probably clear both to them and to others that they can hardly hope to achieve all these wishes. From the Norwegian side plans are to "normalize" Jan Mayen according to the Norwegian northern pattern with a 200-mile zone which includes both fishing and other resources. The goal is to coordinate economic, internal political and foreign policy considerations. This is especially true in the relationship to the Soviet Union where one is trying to avoid parallelism in the question about the center line and joint zone arrangements.

What the parties want is one thing; what they realistically can hope to achieve is something else. When the Icelanders now have emphasized so forcefully that they will not accept the center-line principle in the contested ellipse where the zones intersect, this can no longer be a trading object at the negotiating table. The Icelanders cannot be expected to pay for something which they consider to be their rightful property. To introduce the center line in a new round of negotiations can only create irritation. There can be no doubt any more that the Icelandic Government will firmly maintain the 200-mile limit even in the contested ellipse. It stands up with Altinget and public opinion behind itself and with considerable understanding abroad. Only a few months ago Norway could have won good will and respect with a unilateral declaration that in view of the neighbor relationship and Iceland's narrow economic base it would recognize full Icelandic control over the entire 200 miles around Iceland. It is more difficult to do that when it with justification will be interpreted as a loss of prestige and defeat. But if the Nordli government wants to settle the conflict, there is hardly any way around it. The longer one waits, the greater will be the damage effect.

It is clear that if one wants to abandon the center-line principle in the relationship to Iceland, it will also be weakened in relationship to the Soviet Union. But with the experience one has from many years of negotiations, it should now be high time to admit that the prospects of getting the Russians to accept the center line are at least as poor as in the

relationship to Iceland. In no case is there a realistic point of departure. Why emphasize an argument which is no longer effective, neither with respect to Iceland nor to the Soviet Union?

While Iceland has the upper hand in the question about the ellipse, this is not necessarily true about the other main questions. Prime Minister Johannesson can unite the government, Altinget and public opinion behind himself in the demand for defending what is seen as vital, legitimate Icelandic interests. It will be much more difficult to get support for additional demands which can be presented as the result of an expansive, aggressive policy. By recognizing Iceland's right to the entire 200-mile circle around the island, it will become easier for Norway to create an understanding for the basic main demands for a Norwegian 200-mile zone for Jan Mayen, except for the inward diversion opposite Iceland. Even though strong forces are working in Iceland to increase the resistance against the Norwegian demands, it will hardly be possible to create the same intensity in the debate about whether Jan Mayen is an island or a rock, as when one can maintain that the foreigners take the fish out of the mouth of the Icelandic people.

Iceland has fishing as its sole national economic base and should therefore be given more latitude than others. There should therefore be no reason why Norway in future negotiations regarding the zone would not give Iceland special economic advantages, at the same time as one clearly rejects all joint arrangements of the type discussed previously. When the Icelanders put such great emphasis on getting full national control over its own zone, they must accept it if Norway exercises a similar control with the Jan Mayen zone as with other Norwegian zones. With a favorable quota arrangement on top of the 25,000 km in the contested ellipse, Norway hardly risks special serious countermeasures from Iceland's side by strongly upholding the Jan Mayen zone and consistently rejecting all proposals about bilateral joint zone arrangements. Such a line can over the long range become more important for the present and future negotiations with the Soviet Union than sticking to the center-line principle, which has been left behind. The negotiations presentation which the government so far has followed with respect to Iceland in the Jan Mayen question was based on serious erroneous evaluations. It is to be hoped that the government has the courage and will to learn from its bitter experience and develop the backbone which is necessary to resist the pressure from the narrowly based interest groups which so far have dominated the northern policy of the Labor Party.

8958

CSO: 3108

ICELAND'S CLAIMS ON JAN MAYEN HAVE HISTORICAL BASIS

Oslo AFTENPOSTEN in Norwegian 30 Aug 79 p 8

[Text] Iceland's interest in Jan Mayen did not arise suddenly last year just because the capelin suddenly decided to roam toward the island. It is actually highly probable that it was Icelanders who discovered Jan Mayen in 1194. And if it had not been for Iceland's passivity in 1929 when the island became part of Norway, Iceland would probably have had reservations against accepting clear Norwegian sovereignty.

Iceland made reservations already in 1924 about its interests, and in a letter from its prime minister in 1927 Iceland reserved for its citizens the same rights as the Norwegians. The deplorable thing for the Icelanders in today's battle with Norway is, however, unforgiveable apathy 2 years later and that the case was not taken up formally with Norway when Iceland received complete independence in 1944.

It [is] the Icelandic Professor Sigurdur Lindal who in a letter to his Minister of Foreign Affairs Benedikt Grondal has provided solid historical arguments that Iceland has conducted economic activity near Jan Mayen since the time of the Vikings. The intention of the professor has been to give Grondal historical backing for demanding with respect to Norway that Iceland should be given access to one-half of the resources which might be found.

Professor Lindal will not maintain that he is 100 percent certain that Jan Mayen was discovered by the Icelanders, but he maintains he has full backing showing that the Icelanders in any case came simultaneously with the Norwegians.

To the historians in Norway this is far from being new. The year 1194 is repeated in several history books and originated from recordings in Icelandic journals. The Icelanders collected drifting timber and carried out fishing around the island a long time before the Dutch arrived there.

Professor Lindal tells AFTENPOSTEN a large packet of papers on which it said "Jan Mayen I" was found in the National Archives this summer. When the dust was blown away, a letter from the then Icelandic Prime Minister Jan Thorlaksson to the Danish Ministry of Foreign Affairs was revealed. In the letter, which was dated 27 July 1927, the Icelanders replied to a communication from Copenhagen in connection with the Norwegian Meteorological Institute's occupation of Jan Mayen. In the letter Prime Minister Thorlaksson mentions that the Icelanders have certain interests on Jan Mayen, for one thing that they have collected drifting timber. He considers it reasonable that meteorologic activity be carried out there because it is in Iceland's interest. But with respect to all other activity, Iceland claims the same rights as other countries' citizens regardless of what country they come from.

Similar points of view were written to Copenhagen in 1924. As is well known, Iceland had internal self-government in a personal union with Denmark up to 1944. The letter from Copenhagen to Iceland to get the opinion of the Icelanders was precipitated by a communication from the Norwegian ambassador in Copenhagen. According to Professor Lindal, it indicates that Norway then realized that Iceland had interests on Jan Mayen. He considers it deplorable that so far he has not found any letter from 1929 with an Icelandic repetition of their reservations, but he has not given up the search.

Professor Lindal emphasizes that historic arguments have great force among the Icelandic people, which is very conscious of traditions. Does he believe it will help in the negotiations with Norway about Jan Mayen? "Yes, to a certain degree. Because now the Norwegians cannot maintain that Iceland has not shown any interest in Jan Mayen before," says the professor.

Besides, during the last war there was an Icelander who wanted to build a port on Jan Mayen, but then it was too late for him. The island had become Norwegian a long time ago.

8958

CSO: 3108

DISSENSION ON FOURONS PROBLEM CONTINUES

FDF's Spaak Attacks Flemish Parties

Brussels LE SOIR in French 19 Sep 79 p 2

[Article signed J.v.S.: "Mrs Spaak's Statements in Fouron and Commitments of the Governmental Pact"]

[Text] Apparently it isn't simple to be a member of the FDF and to sit at the center of the governmental majority. It is more likely the opposite. Thus, the brief speech which Mrs Antoinette Spaak, president of the Brussels Federalist Party, gave on Sunday at the "Festival of Fouron people" was commented upon in a variety of ways in different political circles.

Let us quote from Mrs Spaak's speech: "All the Flemish parties have declared that not a line would be changed in the present Fouron statute. Contrary to what they have claimed and are still claiming, two provisions of the governmental agreement which we have obtained deal specifically with communes in a special linguistic situation, among which are the Fourons... Which means that the Fouron dossier is, again, on the table of politicians. The governmental agreement must be applied, or else there will no longer be any government. This means, according to the FDF president, "that it is the others—those who, once more, are not keeping their word—who will be responsible, and exclusively responsible, for a crisis of exceptional gravity which the country would experience, and from which its risks, this time, never to recover."

Reactions to these statements were diverse. As for the CVP, which, though it decided against holding a press conference, published a brief communique, it holds that "The linguistic frontier was established by the law of 1963," and that "There is no reason to modify it." The Flemish Social Christian party, on the other hand, expressed surprise at the "incomprehensible language of the spokesmen of the majority party."

In the BSP—the other Flemish party in the majority—Mr Karel Van Miert expressed the opinion that Mrs Spaak "was playing with fire." And the head of the Flemish Socialists explained: "I consider it grave to let oneself be driven to this point in Flemish territory. Our point of view is clear: The Fourons are Flemish and must remain Flemish."

In the Socialist Party, Mr Andre Cools--looking superbly well on his official return--said that it was appropriate that each party president within the majority should occasionally draw attention to the commitments undertaken by the parties in power.

As for Mrs Spaak, she reminded her audience that she was speaking in the short run. There is a commission, presided over by Messers Roger Lallemand and Marcel Duerinck, which is in charge of examining the means for making relations between the communities more harmonious. This commission is supposed to study especially the problems of communes with a particular linguistic status: Brussels and its peripheries, the Fourons and the communes on the linguistic frontier. This commission will not present its report until the month of May 1980. On the other hand, the governmental declaration foresees an eventual elaboration of mechanisms making it possible to subsidize cultural activities of known linguistic minorities.

In fact, once more, the emotion created by Mrs Spaak's declarations is a sign of the deep mistrust reigning in political circles. The Francophones--and not only the FDF--fear another evasion on the part of the CVP. On the basis of previous experience they increasingly succumb to the temptation of passing judgment on intentions. But the Flemish speakers, for their part, stimulated by more or less irresponsible pressure groups, are giving in more and more to the temptation of facility.

Henceforth the only recourse, at least for the moment, remains Mr Marten's government, which is ready to put all its weight in the balance to ensure the success of the state reform foreseen in the March 1979 accords.

It remains to be seen how long Mr Martens will be able to stand up to his extremists, and how long the FDF will be able to keep a cool head.

Provisions for Improving Community Relations

Brussels LE SOIR in French 19 Sep 79 p 2

[Statement in the press by Mrs Spaak on points of government charter dealing with committees formed to improve Flemish--Francophone relations]

[Excerpt] The FDF president recalled that two points in the governmental declaration specifically refer to the case of communes with special linguistic status, among which are the Fourons. These are points 53 and 54 of the governmental charter.

Point 53 deals with the committee (convened for next Thursday) which must, notably, determine the means to be used in order to improve the coexistence of the communities.

As for point 54, it speaks of a ministerial committee which is to be set up during the transition period, and which will examine the requests for aid to cultural activities addresses to it by the minorities in the communes under special linguistic status.

VU Attacks Francophone Arrogance

Brussels LE SOIR in French 19 Sep 79 p 2

[Text] At the close of the meeting of the Volkunie board, its president, Mr Vic Anciaux, issued a veritable ultimatum to the Francophones.

"If there is not immediately an end to the arrogance and provocations manifested in the very heart of the majority parties with regard to the Fourons," he declared notably, "we can soon expect the whole question of the linguistic frontier to be put back on the carpet on the Flemish side." He added that Volksunie would soon submit a series of bills concerning, notably, Comines and Mouscron.

He disclosed, furthermore, that on Monday morning he had had on his own request an hour's interview with the prime minister, Mr Martens. According to Mr Anciaux, the government will present its point of view on the subject of the Flemish school in Comines on Thursday, at the meeting of the Senate National Education Committee. Mr Anciaux showed himself pessimistic, however, on the subject of the chances for a satisfactory solution. "There will probably not be any Flemish school in Comines," Mr Anciaux said, citing "numerous difficulties."

"If there should not be any, the VU would organize a demonstration in Comines," he said. "We will not accept legalistic arguments. An exception has been made for the Fourons and Linkebeck; we will not accept a double standard," he added.

9347

CSO: 3100

APPOINTMENT OF NEW QUEBEC DELEGATE IN PARIS ANALYZED

Montreal LA PRESSE in French 20 Sep 79 p A 7

[Article by special correspondent Louis-Bernard Robitaille: "Michaud, A Politician in Paris"]

[Text] Paris--Both at the Canadian Embassy and at Quebec House it is generally expected that the new delegate, Yves Michaud, who is assuming his position on 1 October 1979, will give a more "political" slant to his activities.

This does not necessarily mean an assumption of revolutionary positions or even the resumption of some diplomatic guerrilla warfare between Quebec and Ottawa under the patronage of the French Foreign Ministry. Even if such were the new strategy of the Ministry of Intergovernmental Affairs--which is far from proven--it is hard to see how Yves Michaud could succeed in reactivating and maintaining noisy discussions in the public square. The interest of the major [French] media vis-a-vis Quebec Province has evidenced very widely in the months following 15 November [1976]. Today it is--and has been so for a while--polite and sympathetic. One can hardly expect a major reactivation before the very final weeks of the referendum campaign. As for the government and the political circles, relations have reached a normal level and there could be no change in position before the result of the referendum.

Diminished Interest

In the political circles and the newspapers, in short, interest and sympathy are real but, whatever the good intentions, they have a limited effect. One example would be the following: At the time of the official statement of Prime Minister Rene Levesque on the substance of "sovereignty-association," not a single article was published in the French papers. The press has been willing--perhaps it has already happened--to print a background article on Quebec Province, James Bay, community television, and so on, but the slightest detail of the parliamentary and political contests, divergences between Pierre Trudeau and Claude Ryan, the deeds and gestures of Messrs Levesque, Morin, or Burns are not topics to greatly arouse the

excitement of French public opinion. Harsh reality of the press: "In exchange," a French newsman told me, "Anwar Sadat, Menachem Begin, and Yasir 'Arafat could easily say the same things over and over again and this would be of interest to the press. Between any two statements there are several bodies."

Despite a real effort of courtesy and sympathy vis-a-vis Quebec Province, it is thought on the Quebec side, the attitude of the French press seems to be roughly the following: "We have spoken of you after the elections. You can now proceed with your referendum and we shall have good reasons to speak of it again."

Under these conditions what could be the "political" activity of Yves Michaud?

No one believes that he is coming to Paris with the intention of securing from the French Government explicit support of the sovereignist thesis or even more explicit gestures of sympathy of a nature to provoke the Ottawa government. This is so first because the French Government has no intention of going beyond "noninterference, nonindifference." Besides international difficulties there is no question of tying its hands with a government which could be disavowed by the voters within 2 years. Then, because from the Quebec side no public commitment by France is desired. Apparently it is felt that such a thing would not be very profitable for Quebecers but that, contrariwise, it would uselessly excite some sectors of British Canada.

Also improbable is any significant public activity by Yves Michaud who will probably be seen on television, in the newspapers, and so on. The new delegate could easily plan to openly play the role of official spokesman for his government just as the ambassador of Israel or of Vietnam and others, seen fairly often on television, do in Paris. But the mitigated interest of the public toward Quebec in no way justifies repeated invitations from the (state) television networks. If this occurred the [Canadian] embassy would undoubtedly consider this as interference and therefore as unthinkable. The delegate would certainly be invited twice or three times during the very final stages of the referendum campaign and nothing more. Furthermore, it is difficult to see the newspapers, for the already stated reason, enthusiastically competing for his declarations, at least before the spring of 1980.

More modestly it is expected on one part that Yves Michaud will maintain and intensify the relations established so far and that, in contrast to Mr Deschamps, he will give them a distinctly political content. There is no major offensive to anticipate but rather a more aggressive style.

Politics was not absent from the delegation these past few years: Visiting ministers and officials such as Messrs Asselin and Gros D'Aillon engaged in it at their respective level. But the delegate did not indulge in it and behaved as an official and an administrator.

In contrast to Mr Pelletier who willingly uses the forums offered to him to plead the cause of federalism, the former delegate has never taken a position on the Quebec question and neither has he sought to occupy the field. It is expected that Yves Michaud will attempt to do so--naturally, with limited goals: At the delegation one often mentions lectures delivered in Paris or in the provinces before half-filled rooms and which were not reported in the press at all (admittedly, the ambassador is housed in the same premises).

In short order the new delegate must, in the first few weeks of his tenure, make contact with the major political personalities. An interview with Jacques Chirac, for example, could be the occasion for a public declaration: The mayor of Paris, whose pro-Quebec sympathies are known, is completely free to make his statements since he does not represent the government in any way.

It is in this kind of circumstance that one expects a change of style: With the temperament that he is known to have and because, very close to Prime Minister Levesque, he is considered as a public personality, Yves Michaud can make waves--at any rate--more than his predecessor who very simply did not make any noise at all.

On the part of the embassy there is no major apprehension all the same. It is totally out of the question for the representatives of the French Government to be able to move away from the line of noninterference blocked out by President Valéry Giscard d'Estaing. A man like Jacques Chirac could, out of concern for Gaullist orthodoxy, go farther and openly join in side of the sovereignists. But this kind of invective does not worry Canada too much--first, because Jacques Chirac generally knows where to stop, and then because, not representing the government, it is not (legally) in his power to provoke Canada. Still assuming that they will occur, these minor incident- will call for explanations from the embassy as would possible public statements of the delegate. More than a crisis, what is taking shape on the horizon would be a war of small talk, of piques, of press communiques--nothing which in sum goes beyond a family quarrel (in public).

One would then need a lot of imagination to believe that Yves Michaud will arrive in Paris with a "destabilization" plan or an offensive strategy concocted at the Ministry of Intergovernmental Affairs in his pocket--first of all because, according to those who know the ministry, the latter is incapable of walking plans of this kind and because it does not have in its files, even a hint of international strategy. As if Mr Morin, inwardly, himself had difficulty in imagining an independent foreign policy for Quebec.

If one examines the line of conduct of the Paris delegation, the only one where, after 15 November, Quebec Province could have a foreign policy and establish international "public relations," one indeed finds only improvisation, a lack of policy, total fuzziness.

Quebec has two options--either it wishes to play politics in Paris or contrariwise it wishes to play dead, not to give the appearance of placing itself under France's "protection." In truth, the Ministry of Intergovernmental Affairs has not done or decided anything.

The appointment of Yves Michaud, if one goes by one's logic, means that Quebec wishes to give the delegation a public significance. The problem is to manage to understand why it has waited for 3 years.

In the face of French public opinion--as well as international public opinion--Quebec Province witnessed an extraordinarily privileged year, from 15 November to the following November with Rene Levesque's visit to Paris. At that time everything was possible, but there was no one at the delegation. The dismissal of Francois Cloutier--who has become the invisible man--has dragged until the following May. Even better: There was even no official to man the press service. There was a nearly complete absence of officials before the new delegate, Mr Deschamps, ended up getting settled in Paris ...approximately at the time when Rene Levesque arrived. This was the best year ever for Quebec. It could even cause some disturbances on the morrow of that visit. But the new delegate on one hand still needed long months to become familiar with Paris and on the other was not--and this is known--a man to make waves.

An official without excessive enthusiasm for Quebec's secession, Mr Deschamps has always considered himself more of an administrator and an "apolitical" representative of Quebec. Naturally, by the nature of things, it has been difficult for him to prevent the maintenance and development of political contacts at other levels, but he has never underwritten them officially.

The result has been a certain malaise among the "friends of Quebec Province." Was this reservation of the delegate to be interpreted as the official line of the Levesque government? The latter may have wished to make it known in French leadership circles that despite the speeches and proclamations of faith separation was not to be for soon, that it would not otherwise have undertaken it. Since it is difficult to assign as much subtlety to the Ministry of Intergovernmental Affairs, one should reach the only conclusion possible: Not knowing what had to be in Paris anything was done--heroic speeches here, semiclandestinity there. Mr Deschamps, a business specialist and politically neutral, had been appointed advisedly. He is now being replaced, 2 years after his installation, a move which constitutes something of a disavowal.

Why Now?

What should one perceive in it? A major political shift? It was seen earlier that this is out of the question for all the parties involved. A change of style? One must then admit that it is occurring very late: The decision should have been taken 3 years ago and not today, 6 months from the referendum, whereas approximately this much time is necessary for a delegate to become familiar with the intricacies of French political life. Should one try to explain the affair as a simple change in personnel, without a change in policy? In that case it would have been better to keep Mr Deschamps, who at least was installed, as is.

Yves Michaud's personality is not at issue. It is rather logical that Quebec Province should have in Paris at the very least a personality which should espouse his government's views. But it will undoubtedly be necessary one day that someone explain why so much time was allowed to pass. A "political" delegation in Paris, even if it does not cause earthquakes, is rather in the nature of things. But Yves Michaud's nomination occurs so late that one wonders whether it still has significance.

2662

CSO: 3100

DEMOCRATIC RALLY CONGRESS REELECTS KLIRIDIS

Nicosia Domestic Service in Greek 1130 GMT 14 Oct 79 NC

[Text] The 2d pan-Cypriot Democratic Rally Congress, which began last Friday, ended in Nicosia today. The delegates reelected Mr Glavkos Kliridis who, following an amendment to the party's charter, will now have the title of chairman of the Democratic Rally.

Speaking after his election, Mr Kliridis asked for the immediate formation of a strong government which, as he said, when inspiring the people with confidence and being respected abroad, will be capable of handling the country's major problems with dignity, courage and determination. He also said that the political line to be followed in the Cyprus problem must be one of real mobility to break through the deadlock, so as to bring about an early end to the de facto state of affairs. In this connection he reiterated his suggestion for recourse to the Security Council to demand the appointment of two expert committees--one for the constitutional aspect and the other for the territorial aspect of the problem--to hear the views of the parties concerned and make recommendations to the Security Council.

Mr Kliridis also stated that special importance must be given to strengthening the country's defense capability which must receive serious handling; there should be promotion of complete harmony and understanding with Greece while political, economic and social measures must be taken immediately in order to really unite all the people.

Representatives of European Christian democratic parties and organizations also attended the congress.

CSO: 4908

KLIRIDIS URGES CONDITIONAL ACCEPTANCE OF 'BIZONALITY'

Nicosia CYPRIUS MAIL in English 14 Oct 79 p 1 NC

[Text] The controversy about the "bizonality" of the proposed Cyprus Federal Republic is part of "deliberate delaying tactics" by the Turkish Cypriots to avoid negotiations on the substance of the Cyprus problem, and the Greek Cypriot side ought to find ways to side-step the obstacles, Mr Glavkos Kliridis, the rally party leader, said yesterday.

"The substance of the problem is not whether the solution will be termed biregional or bizonal, but what it will contain," Mr Kliridis said. He was addressing the rally congress on the second day of its meeting in Nicosia.

"Our answer to Mr Denktas' demand to accept a bizonal federation should have been that, subject to an agreement on the territorial issue, on the issue of the powers and functions of the central government and the principles of freedom of movement, settlement and respect of private property, we would have no objection if the resulting agreement is termed bizonal."

Faced with such an answer, Mr Kliridis argued, the Turkish side would have been deprived of any logical argument to support its refusal to commence negotiations on the substance of the problem. He disagreed with last November's rejection of the American plan for Cyprus, backed by Britain and Canada, and said that the Greek Cypriot side ought to have accepted it as a basis for negotiations without prejudice to its positions.

The rally leader referred to the May agreement between President Kipryanou and Mr Denktas in the presence of UN Secretary-General Dr Waldheim, and said it failed to deal in a concrete and specific manner "with some of the important issues which arise out of the four guidelines" agreed between the late President Makarios and Mr Denktas in February 1977.

These issues, he said, were: The actual extent of the respective areas under each other's administration, the ratio of participation of the two communities in the executive, legislative and judiciary, the powers and

functions of the federal (central) government, and details about the freedoms of movement, settlement and property ownership.

Mr Kliridis said the rally view on ending the deadlock is for the Security Council to decide to send to Cyprus a committee which, starting from the four guidelines and after hearing the views of both parties, should make its recommendations to the Security Council on each of these issues.

Then, he said, Dr Waldheim should invite both parties to discuss these recommendations.

Mr Kliridis said that for the search of a solution it was necessary to create conditions of mutual trust and understanding of each other's problems between the communities. The effort to develop bridges of confidence between the two communities must be a continuous one and not be limited to finding a solution.

CSO: 4920

BRIEFS

TURKS SETTLE IN MARONITE VILLAGES--In a statement yesterday, the Maronite community's parliamentary spokesman, Mr Mavridis, said Turkish Cypriots and mainland Turks had invaded lands owned by Maronites of Kormakiti Village using some 15 tractors. The so-called Turkish Cypriot police looked on and the villagers are anxious about their future. Mr Mavridis added that, according to official Turkish statements, Turks will settle in the Maronite villages of Kormakiti, Karpasha, Asomatos and Asia Marina. Yesterday, the government spokesman said that the republic's authorities had made relevant representations to the United Nations in Cyprus, who undertook to investigate the whole affair. [Text] [Nicosia Domestic Service in English 0630 GMT 16 Oct 79 NC]

CSO: 4920

JORGENSEN GIVES VIEWS ON PARTY'S LOSS IN EUROPARLIAMENT ELECTIONS

Copenhagen BERLINGSKE TIDENDE in Danish 11 Sep 79 p 6

[Article signed lk: "Anker Jorgensen: 'Why we lost the EP elections'"]

The Social Democrats had a reputation as a party that "ran with the hare and hunted with the hounds" during the EP election campaign, and the result was a painful loss, according to a commentary by Prime Minister Aker Jorgensen in the Social Democrat newspaper NY POLITIK. The article includes some remarks from a very bitter prime minister on the unrest in his own party during the election campaign and an acknowledgement that the Social Democrat defeat in the EP elections is a problem for both the party and the nation.

"Our party was the one that had to bleed for the sake of the People's Movement. It is useless to dismiss the problem, because it is both ours and the nation's. EP politics inevitably plays an important part in any government's policies, and any other state of affairs would be unthinkable in reality. So it can first of all have a negative effect on the strongest party in power if it doesn't have enough backing from such an important element as the Danish membership. In other words, we are going to have a serious blot on the total picture of our policies," the prime minister writes. He continues,

"Apart from those who are skeptical, uncertain, and anxious, the party has no capacity to get across the point of view that was settled on in our conference resolutions. And what is worse, we have not pulled together as a party enough to gain a hearing for what Social Democrats here and in other EP nations want for the future of Europe. In comparison with the unity attained at conferences we waste too much energy on ambiguous pronouncements and uncoordinated activities. We have earned a reputation as a party that runs with the hares and hunts with the hounds."

9386

CSO: 3106

RADICAL LIBERALS AT CONGRESS ATTACK COALITION

Copenhagen BERLINGSKE TIDENDE in Danish 16 Sep 79 p 9

[Article: "The Radical National Meeting: Now the Government Must Get Going"]

[Text] "It is a disappointment that the Socialist Liberal government has drowned its possibilities in internal disagreement. It would be correct for the government to remain, but it must also get going and take advantage of its opportunities," said the chairman of the Radical parliamentary group Niels Helveg Petersen yesterday in the party's national meeting in Nyborg.

He added that time is short. If the government cannot arrive at an extensive economic political program within a few weeks, there will be elections:

"The government cannot postpone the problems once more. This does not make them smaller. We do not know what the end will be. And this is not what we are primarily interested in either. We must be ready for both possibilities. Ready for elections if this is the result. Ready for negotiating with the government if this is what it ends up with."

Long-Range Policy

Niels Helveg Petersen said that the Radicals now demand a long-range foundation for the economic policy with a duration of at least 4 years.

The main elements must be:

1. Legislation on compulsory profit sharing and coownership in larger companies. The Social Democrats must abandon the nauseous proposal for an economic democracy. The employees must have coownership in their own company, without centralism.
2. The absurd disparities in the economy must be corrected to intervene against favoring investments in debentures, mortgages, and real estate.

3. The income tax must be changed, for instance, to ease up on the marginal taxation of normal labor income and restructure the rules for deductions.

4. A new housing policy. There must be financing rules which can make it possible to build new cooperative apartments and there must be possibility for converting older private apartment buildings to cooperative apartments in connection with urban renewal.

5. Guidelines for the development in taxes, fees and public expenses.

Niels Helveg Petersen said that one should also take a look at the labor market policy and the education policy. He believed that today the administration of the existing per diem rules was too lax.

The Organizations

"The ideas about a long-range framework agreement is not a declaration of war on the organizations," said Niels Helveg Petersen.

"They may be destructive--and have often been so--they may prevent us from getting the economic problems under control--but they can also be brought into a responsible role if the government and parliament dare set up a policy with perspectives."

"The organizations must be forced into a situation where they have core-responsibility for a coordinated economic policy, instead of today where they have power without responsibility," said Niels Helveg Petersen.

Energy

About the energy policy the group chairman said that the Radical national meeting last year rejected a decision about nuclear power on the well-known basis.

"It is an important decision. It means that it is the adherents of nuclear power who have the burden of proving that nuclear power can be used safely and that the waste problem can be managed," said Niels Helveg Petersen.

Against Government Collaboration

In the present situation the Radicals must not try to get into the government. This was emphasized by many speakers in the Radical national meeting. The speakers had various ideas of to what extent the Radicals should work together with other parties, but all of them rejected government collaboration.

The debate also showed that most delegates were satisfied with the work which the Radical parliamentary group has carried out.

The chairman of the Danish Tenant Farmers Associations Christian Sorensen was also criticized strongly by several people in his own party because some time ago he had talked about combining the Liberals and the Radical Liberals.

The 4-year political agreement which Niels Helveg Petersen had discussed and which was presented by the party's political spokesman Ole Vig Jensen on the part of the main administration encountered full agreement among the delegates.

Some of the participants in the debate mentioned freedom of speech. Erling Sorensen, Naestved, proposed that the Radicals should take the initiative to form a free listener association as a counterweight against Erhard Jacobsen's Active Listener Association, which according to the speaker had made Denmark's radio tame and self-censuring.

The Party Is an Alternative to the Socialist Leftist Government

The Radicals have no present desires to be included in a government. This was emphasized by the chairman of the Radical Liberals, Thorkild Moller, in the party's national meeting yesterday in Nyborg. He added that it was fortunate that those initiatives which were made last summer for a Socialist-Leftist-Radical government came to naught.

Thorkild Moller commented on Prime Minister Anker Jorgensen's statements in the Social Democratic annual meeting that there was no alternative to the Socialist Liberal government:

"Because, if there is no alternative to the Socialist Liberal combination, then there is in any case alternatives to the way one reacts and there are many alternatives to the policy which is being carried out."

In the national meeting Thorkild Moller announced the party's political working plan, which will result in a series of initiatives. It involves the areas of: land taxation, housing policy, the labor market and energy policy, etc.

About the future of democracy, Thorkild Moller said, for one thing, that the political parties are not alone in the arena.

"Professional and trade political organizations are well on the way to compete with the parties in one area after the other."

"We are witnessing a dangerous development because the organizations, being enormous in size, have not asked their members when they make statements on one thing after the other. They are not based on an ideological basic attitude, but with continued development of their power and influence they will create new boundaries in Denmark and reduce parliament to a puppet theater," said Thorkild Moller.

Membership

The Radical Party Secretary S. Bjorn Hansen reported that the membership last year had dropped slightly to barely 14,000 and that the party's balance for 1978 shows a modest deficit.

"We are organizationally weak when we count in numbers, and we are politically weak when we count in mandates. The challenge and the commitment must be seen," said the party secretary.

8958

CSO: 3106

RADICAL LIBERALS FACE DANGER OF PARTY DEMISE

Copenhagen BERLINGSKE TIDENDE in Danish 15 Sep 79 p 6

[Editorial: "Can They Survive?"]

[Text] The Radical Liberals is probably the party with the most difficulties at this time. In view of its past it is no wonder that the depression is spreading in the national meeting in Nyborg Strand. The party has become smaller and smaller, and its importance in today's situation seems to have become even smaller than its number of representatives.

After having been on top of the mountain under Hilmar Baunsgaard, the Radicals are wandering round and round without being able to find their way. And it is characteristic of the party's situation that among the candidates who have refused to run for elections in the famous Skiva district there are several who a few years ago would have considered it the greatest honor to be selected up there. The party does not have any large power of attraction among either the candidates or the voters.

The Radical Liberals were bitter that they were not included in the government Anker Jorgensen and Henning Christophersen formed a year ago. Participation by the Radicals would hardly have made it easier for the government to manage the problems, but their cooperation would have been an advantage to themselves. This would have been simply because it would have placed the Radicals in the public eye. Now they are not conspicuous to anybody. The party is without real influence, and this is the most difficult thing which has happened to it. However, it asserted itself for several decades because it was placed as the tongue on the balance scale. It could find a government, it could support a government--and it could overthrow a government. Its strength lay in its program or its ability to formulate a policy, but it had power because others needed to appeal to it. That time has passed long ago, and the party's new leaders have not been able to overcome this handicap. They have not been able to present a policy which has created interest in the party. There are others one is talking about, and there are others who have influence.

The Radical Liberals have good reasons for being depressed. The party may risk being without representation in parliament. Its chance is that the present government's collapse may become so dramatic that the consequences will be a situation in which even the radicals will play a role. But the radicals do not have more than a little hope for this chance. If the Radical Liberals are to rise again, it would require more than the present leaders of the party seem able to contribute.

8958

CSO:- 3106 .

GOVERNMENT PREPARING FOR INCREASED DEFENSE SPENDING

Copenhagen INFORMATION in Danish 14 Sep 79 pp 1, 14

[Article by Lisbeth Kolind and Ejvind Larsen]

[Text] Debates as early as fall on new defense compromise

Bertel Haarder, Deputy Chairman of the Venstre (Liberal Democrats) group in the Folketing, has told INFORMATION that the government will introduce debates on a new defense compromise that will come into force in 1981 and that will oppose increased defense spending.

"In less than a year the government will introduce bills for a budget that includes the results of a new defense compromise," Haarder said, "so it is only natural to introduce debate by fall."

Q: "NATO is asking for increased defense spending. I guess the Venstre are already pretty sympathetic to their wishes?"

A: "Yes, we are. And it is our impression that the Social Democrats won't be unsympathetic. We were very impressed by some remarks to that effect in the Social Democrat paper, NY POLITIK etc. But I have no knowledge of any direct discussions between the two parties as yet that would serve as preliminaries to new defense debates. And personally, I would like to stress that the potential for effecting some of the defense expenditures should be looked into, so that we can reinforce our defenses in that way."

The "old man" predicts increased defense spending

Q: "Won't defense matters be involved in the coming discussions about cutting Kr 2.5 billion from the budget?"

A: "No, that's completely out of the question. At any rate, defenses won't be reduced. If anything, defense expenditures will be increased. So there's no chance at all of involving defense in the present efforts to economize," Haarder concluded.

As long ago as last May the pseudonymous Social Democrat writer "Altman ('old man')" was pointing out in NY POLITIK that the party was prepared for increased defense spending. He wrote, "It is not of course just fewer means of defense that the non-socialist

parties want to concentrate on. A number of their arguments against reductions in this area and in favor of additional appropriations might meet with a certain amount of sympathy among the Social Democrats as well."

NATO demands

Increased defense appropriations are also being demanded by NATO, which is asking its member nations to increase expenditures by 3 percent. How these increases will be paid for can come down to a problem in higher mathematics. And many member nations have not raised any appropriations yet.

The nonsocialist parties outside the government have already sought government leadership many times in this matter and they are certainly putting a lot of pressure on the Venstre.

A bad joke

Niels Helveg Petersen, chairman of the Folketing Radical Liberals, comments as follows on increased defense expenditures:

"We are aware that many consider significant increases in appropriations for material procurements very desirable. One reason is that every new weapons system costs a lot more than the one it replaces. It seems to me like a bad joke when the government gets the idea that it can discuss a new and more expensive defense set-up than the one that is in force until 1981, while extensive debates about economizing on appropriations for educational and social purposes, for instance, are going on at the same time."

It was in fact the relation between appropriations for defense and for social and educational expenditures that kept the Radical Liberals from agreeing to a compromise in March, 1977. They had wanted a renegotiation clause on paper clearly stating that defense would not be exempted from future reductions if it would affect educational and social conditions. The Social Democrats had demanded the same before the February, 1977 elections, but after the elections, and while the compromise was being worked out, Defense Minister Poul Sogaard told INFORMATION on March 10,

"Before the election, when we wanted to keep the renegotiation clause in, there was a nonsocialist majority of course. But now, when there are on the order of 94 seats from the Radical Liberals and the Social Democrats to the Left Socialists, there will hardly be any risk of the nonsocialists making any severe cuts in this area, so that the clause isn't so important any more."

So thinking about the defense compromise didn't include the consideration that any reductions in the social or educational areas

be carried out, while the Social Democrats in the government want to retain their seats because they are afraid of the opposition getting into power for what might be quite a while. As a "leading comrade" says, "If the slack members of the Progress Party win out over the strict ones we will have had it. For at least 20 years."

9386

CSO: 3106

A.P. MOLLER GETS GO-AHEAD ON NORTH SEA NATURAL GAS PROJECT

Copenhagen BERLINGSKE TIDENDE in Danish 8 Sep 79 p 16

[Article by Erik Bendt Rasmussen]

[Text] A.P. Moller now has permission to begin delivering North Sea natural gas to Denmark in 1984. The Ministry of Commerce yesterday accepted the A.P. Moller application to start producing natural gas from the Cora, Bent, Dan, and Gorm fields. The gas produced should supply 15 percent of the nation's energy production for 25 years, mainly for residential heating, although some gas will also be sold to industry. Application to the Ministry of Commerce is only a formality, since the government and the Folkeeting have already agreed to the natural gas project. Dansk Olie og Naturgas, the state corporation, has made plans for a domestic pipeline network and will also stay on as landlord of the under-sea lines that will carry the gas to land on the west coast of Jutland.

Viking names

The starting signal from A.P. Moller means that the Danish Underground Consortium is getting down to work on one of the most important projects in the whole North Sea Area. It will cost Kr 3.8 billion at today's prices. The DUC is giving Danish Viking names to the oil and gas fields now going into production. So, perhaps with a view to the new equality law, Cora will be called Tyra (King Gorm's wife) in the future and Bent will have its name changed to Roar.

Gas will be produced from Tyra at two production centers about 3 km apart. Each will consist of two recovery platforms and one processing platform. Each recovery platform will be built with the capacity to drill 12 holes through the sea floor down to the gas. So, of a total of four recovery platforms, three are expected to be finished when gas production begins in 1984.

Production should deliver 2.5 billion cubic meters per year once

the project is completed, increasing to at least 4 billion as heating demand increases. This is based on the present housing situation with gas replacing oil and on future conditions under which it can either be piped directly into a building or supply a remote heating plant that will have ducts leading out to various buildings.

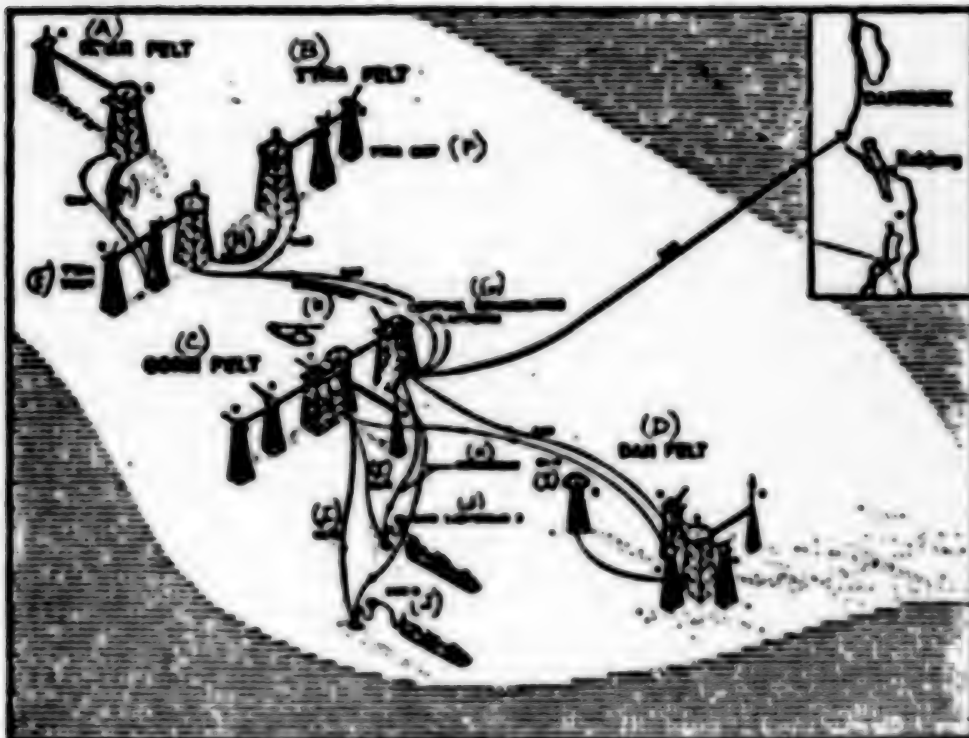
The gas fields in the North Sea, together with the Dan, Gorm, and Skjold oil fields will, beginning probably in the mid-eighty's, account for 25 percent of Denmark's energy needs-- replacing 5 billion tons of imported oil. The DUC will meanwhile, probably next year, intensify the search for gas and oil in the North Sea, so that it may be possible for Denmark to be supplying 33 percent of its energy requirements from domestic sources by the late eighty's, either from the North Sea or from oil discovered on land. The DUC is now prospecting on the islands of Lolland and Falster.

Will not discuss gas price

Calculating the future price of Danish natural gas is and will remain theoretical until deliveries begin in 1984. That is why Prime Minister Anker Jorgensen flatly refused to discuss the subject yesterday.

It was brought up in the Folketing by Preben Vilhjelmsen (Left Socialist), who had calculated that the linkage of the price of gas to those of oil had already resulted in surplus profits of Kr 20 billion to the seller, the DUC. He asked the prime minister to confirm the figures and at the same time to promise that the amount would be taxed extra in the form of a windfall profits tax.

But the prime minister will not discuss prices, since they are only theoretical and he is just as unwilling to discuss taxes on profits that are also still theoretical.



What the Danish gas fields in the North Sea will look like when completed sometime in the mid-eighty's.

- A. Roar Field
- B. Tyra Field
- C. Gorm Field
- D. Dan Field
- E. Tyra West
- F. Tyra East
- G. Central processing platform
- H. Condensate
- I. Oil
- J. SBM loading buoy

9386
CSO: 3106

RISE OF DISCOUNT RATE EFFECTS EXAMINED

Record Level

Copenhagen BERLINGSKE TIDENDE in Danish 15 Sep 79 pp 1, 9

[Article by Frank Dahlgaard: "The Discount Rate to the Top Again"]

[Text] Already before noon it was clear that an unusually large increase in the discount rate was coming yesterday. The National Bank namely failed to deliver money as usual to the private money institutes via the so-called interbank market.

The result was that the interest in the money rose rapidly, and a hectic and nervous atmosphere spread like lightning in the entire financial world.

The bank's arbitrage departments became busy guaranteeing rates of exchange for companies who reported in more and more in fear of suffering a loss if the krone was devalued. But the currency futures markets had to close very quickly because the money institutes quite simply had exhausted their possibilities for guaranteed rates of exchange. According to the rules, the currency futures commitments must namely not exceed 35 percent of the banker's own capital.

Then the future rates rose to the sky.

Around noon the pressure against the krone was enormous, and the currencies poured out of the National Bank vaults. Rumors were that the National Bank alone yesterday supported the krone by buying 3/4 billion kroner, but the amount may easily have been significantly larger.

According to what BERLINGSKE has found out, the three-man management of the National Bank held a meeting in the bank shortly after 1200 hours yesterday, and here it was decided to increase the discount rate from 9 to 11 percent in order to brake the outflow of capital.

After the decision Minister of Finance Knud Heinesen and Minister of Economics Anders Andersen were informed and had--as the National Bank law specified--an opportunity to present their comments on the decision. Our sources, however, emphasize to BERLINGSKE that it was the management of the National Bank--and it alone--which made the decision to raise the discount rate by 2 percent.

After our EC partners had been informed about the Danish increase in interests, the National Bank issued its report to the public at around 1400 hours.

Record Level

The Danish discount rate has been increased dramatically twice earlier in connection with currency crises: in May of 1969 when the discount rate was raised from 7 to 9 percent and in October 1976 when it was increased from 8-1/2 to 11 percent. The discount rate has never been higher than 11 percent.

When the discount rate in October 1976 was increased to the record level of 11 percent, it was only a short time before the discount rate could be decreased again. This took place already in December of 1976 when the rate was reduced to 10 percent. In March 1977 the discount rate was decreased further to 9 percent. Here the discount rate remained until July of last year when the rate was reduced to 8 percent.

On 25 July this year the discount rate was increased again to 9 percent, and with the decision from yesterday the discount rate has been brought back again on Monday to the record level: 11 percent.

Observers tell BERLINGSKE that the increase in the discount rate by the National Bank must be seen as a clear indication to the government and parliament to intervene with an effective economic policy. Before that takes place, one must not expect that confidence in the rate of exchange for the krone will be completely reestablished.

A Hard Blow to the Economy: A Billion-Krone Expense

The increase in the discount rate of 2 percent means that the entire Danish interest level now increases. In banks and savings banks one must thus count on an increase of approximately 2 percent in the rate of interest for both deposited and borrowed money.

For the economy the higher lending rate means an extra expense of approximately 1 billion kroner on an annual basis. However, from this one must subtract the extra income brought in in view of the higher interests on money lent out. Over all, however, there will be a severe extra expense for the Danish economy.

For the consumers there will be a net income even though the higher lending rates alone involve an extra expense on an annual basis of a good 900 million kroner.

The higher lending costs will put a brake on the investments in Denmark, and this can quickly hurt employment.

The Interest on Construction Loans Up

In the bond market it is expected that the increase in the discount rate will be followed by a drop in the quotations, especially on short-term government paper. The interest rate on construction loans will increase to the same extent that the quotations on real estate credit obligations follow along down. If this takes place, Denmark will in coming weeks experience the highest interest rate on bonds in its history since the interest already today is very close to the previous record in interest from the summer of 1974.

A higher bond interest rate would affect the entire construction sector very severely.

The higher bond interest rate will presumably result in new drops in the stock market because bonds with their higher yield win over the stocks completely in the battle to attract savings.

Always Concerned

The purpose of increasing the interest rate in Denmark is to lure the out-flowing capital back to the Danish currency reserves. Whether this takes place quickly next week will depend entirely on the economy's confidence in the present rate of exchange for the krone. Not until confidence has been reestablished will money again flow back to Denmark, and only then can there be talk about reducing the discount rate again.

The increase in the discount rate comes after several weeks with continuous pressure on the krone with an associated outward flow of currency. In recent days the pressure assumed a so far unheard of extent.

The National Bank hopes to be able to turn the flow of money with the increase in the interest rates.

Comments

The increase in the interest rate is given lively comment from the political side. Minister of Economics Anders Andersen thus establishes that the time is right for following the agreed-upon Marienborg principles for reducing the currency deficit.

The conservative leader Paul Schluter considers the increase in the discount rate to be "the National Bank's hard judgment on the government's failed economic policy."

The Danish Federation of Employers emphasizes that the increase in the discount rate would have been avoided if restraint could have been shown in wages during the spring.

The Industry Council says that the discount rate costs the companies much more than one gets in interest increases through the so-called K-loan arrangement.

More Expensive To Borrow

Copenhagen BERLINGSKE TIDENDE in Danish 15 Sep 79 p 1

[Article by Frank Dohlgaard]

The record-high Danish rate of interest will not be decreased until confidence in the krone has been reestablished and currencies flow back into Denmark.

This is what Director of the National Bank Erik Hoffmeyer tells BERLINGSKE after yesterday's drastic increase in the discount rate from 9 to 11 percent.

Hoffmeyer says: "Today it is impossible to say how long it will be necessary to keep the extraordinarily high discount rate because it depends entirely upon when confidence in the krone has been reestablished and currency returns home again. It is clear that confidence in the krone depends on whether an economic policy can be set up."

Director Hoffmeyer refers to the pressure against the krone in recent days as "much worse than the pressure during the currency crisis in October of 1976," when the discount rate was increased by 2-1/2 percent. At that time the increase in the interest after some 10 days was followed by an adjustment in the currency rate within the so-called currency snake. Many people in industry are now asking whether history will repeat. About this the director of the National Bank says:

"On principle I never make statements on changes in currency rates, but it is clear that an increase in the discount rate of 2 percent indicates that we want to defend the present rate of exchange for the krone."

The National Bank says that the reason for the increase in the interest is the continuously rising interest level abroad and "the stronger disequilibrium in the balance of payments." These conditions have led to an increasing pressure on the rate of exchange for the krone, which culminated yesterday when there was an almost panicky atmosphere on the currency market

in Copenhagen. The bankers simply exhausted their possibilities for guaranteeing rates of exchange for the economy, and the interest in the money market rose dramatically.

The increase in the discount rate means that the interest rate in money institutes now will be increased. This results in an extra expense for the economy of approximately 1 billion kroner on an annual basis.

8958

CSO: 3106

CONFLICTS PERSIST AFTER LO-SOCIAL DEMOCRATS' MEETING

Copenhagen BERLINGSKE AFTEN in Danish 7 Sep 79 p 5

[Article by Lasse Ellegaard: "Anker Jorgensen to his membership: 'Daydreams are nice.'"]

[Text] The conflict between the Social Democrats and the LO (Landesorganisationen, the federation of trade unions) was not settled at the annual meeting last weekend at the Sports Halls in Fredericia. On the contrary. LO Chairman Thomas Nielsen made an improvised speech that was in its low-pitched anger much more threatening to the historic alliance between the two groups than his earlier violent outbursts had been. Nielsen made it quite clear that if the government didn't introduce a number of reform measures in the Folketing the alliance between the Social Democrats and the Venstre might come to an end.

Still, the delegates to the meeting were not much the wiser after the LO chairman's speech— or after Jorgensen's response for that matter, delivered in a peptalk that lasted several hours until Sunday afternoon and the main thrust of which was to point out that things would have been much worse without the participation of the Venstre in the government. Both sides droned almost homophonically on September 17 as the date when the decisive test of strength would take place. The LO business committee will meet then with the Social Democrats in the Folketing and present their demands for housing reforms, an employment plan, sweeping tax reforms, and "economic democracy."

The labor movement wants these reforms to go through, or else— elections. Nielsen calls the period 1972 - 77 "the seven lean years." "When the seven fat ones will come, I don't know," he added, saying that the LO had calculated how many steps backward had been made during that time. "It takes three quarters of an hour just to read through these materials," he said, "but we will be getting back to them on September 17."

Nielsen also thinks that the inclination of party members to vote decreased sharply after the coordinated candidature was carried out because the system "has import for their future positions in some cases," a remark that occasioned a murmur of voices in the room. The possibility was confirmed later by one Folketing member who

said point-blank, "Tom is right. When it gets down to the nitty-gritty, it's always the marginal seats that are nervous about the elections and get after Nielsen to fish or cut bait."

Criticism of the Venstre-Social Democrat alliance

Debates at the national congress have generally been critical of the Venstre-SD alliance. Members have demanded reforms and want the political profile clarified-- influenced apparently by the Gallup polls, which just dropped several points on Sunday. One member of the government says, "We'll have elections in November. The Party can't stand to keep on fighting with the labor movement. We can't live with these conflicts any longer. But on the other hand the Venstre never agree to the labor movement's demands."

Minister of Finance Knud Heinesen said in his address to the annual conference that there will be no retrenchments in the "central areas," of social action and welfare. "You've got me between a rock and a hard place, there," he confessed later when asked if the word "central" really meant the areas that the Venstre had mentioned during the summer as those they intended to make cuts in. Heinesen also said that the government is working on a redefinition of the concept of income in order to make some changes in the forms of certain support systems and gratuitous disbursements. "I hope that we can save most of the money from that kind of reduction," he said.

In the field of education, young people have now been given priority, and Dorte Bennedsen, Minister of Education, says that the government is working on a form of youth guarantee to ensure young singles under 25 some real opportunities for education and employment. Prime Minister Anker Jorgensen says that although "daydreams are nice" the truth is that without the Venstre-Social Democrat alliance the nonsocialist quadripartite alliance would sprout up on a Progress Party stock. So it is not a good time for "thoroughgoing and profound reforms." But he still promised to continue the value-added tax and to "press for" the abolition of deductions for interest on private debt. This made the audience applaud, although they didn't rise for a standing ovation at the end of the minister's hour of oratorical exertion. The minister himself had them remain seated while he hurled himself like lightning from the podium. Obviously he didn't want to give Tom Nielsen the chance to stay in his seat while the rest of the delegates stood up to applaud.

So now the problem is that the LO is demanding reforms that can not would also involve cuts in defense.

According to what INFORMATION has learned from its sources, Jens Risgaard Knudsen, then chairman of the Social Democrats in the Folketing, specifically pointed out to the other participants in the compromise that if they carried out any cuts that would mean reducing social-policy efforts on behalf of the population as a whole, the Social Democrats would be prepared to bring the compromise up for revision again.

This verbal "specification" has already been utilized once in connection with the Midsummer's-Day compromise this year, when the Venstre set the stage for even greater cuts than the Kr 2.5 billion that had already been agreed on. The Social Democrats warned that if that were the case defense wouldn't get by unscathed either. They were successful in obtaining exemptions from cuts in aid to developing nations and in maintaining the total reductions at Kr 2.5 billion.

INFORMATION tried in vain yesterday to get in touch with Minister of Defense Poul Sogaard.

9386

CSO: 3106

STRAUSS POINTS OUT CDU-CSU UNITY AT PARTY CONGRESS

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 1 Oct 79 pp 1, 2

[Report by "Fin." on CSU Congress: "Strauss and Kohl Confirm Unity of CDU/CSU--Zimmermann Elected Deputy Chairman"]

[Text] Munich, 30 September--The most important result of the CSU Congress, according to CSU Chairman Strauss, is the fact that his address and that of CDU Chairman Kohl "harmonized completely without there having been any coordination between us." Kohl had appealed for CDU/CSU unity and solidarity, claiming in this connection that "if anyone figures on dissension, he figures completely wrong." Anyone had to be able to stand criticism, but anyone engaging in criticism would benefit. The CSU Party Congress accepted without dissent Kohl's view that in nominating Strauss as candidate for chancellor the CDU and CSU Bundestag deputies had expressed the expectation that the unity and closing of ranks of the CDU and CSU would not be "limited to an election day." CDU politicians Biedenkopf, Spaeth and Kiesinger (all welcomed by particularly strong applause), as well as Geissler, Woerner, Lorenz, Kiep and Hasselmann, had come to Munich as guests of the congress. Minister-Presidents Albrecht and Stoltenberg had sent their regrets.

Strauss was confirmed in his post of CSU chairman, which he has held since 1961, by 857 out of 866 valid votes; there were 10 invalid votes, 7 votes against him and 2 votes for Zimmermann. His three previous deputies were also reelected--Landtag President Heubl with 761 votes, Bundestag Deputy Dollinger with 741 and State Secretary Berghofer-Weichner with 671. Born Land Organization Chairman Zimmermann, for whom a fourth deputy position had been created by a change of statute, received 554 votes. Of the 30 party executive members to be elected, Environment Minister Dick did best--apparently as a result of the wish of the delegates to express their confidence in the cabinet member affected by the Auling poison affair.

In his "accountability report" lasting 2 1/2 hours Strauss said that in running for chancellor he was motivated by concern for Germany, though "personally" he would "rather stay in Bavaria," as anyone who knew him realized. He criticized the "Bonn policy of swimming, rocking, floating and babbling" [a play on words, what with all four verbs beginning with the same consonant in German]. He described the chancellor as a man who,

when it came down to it, could not prevail against the socialist ideologists in his party. "The ship is drifting toward the left, and only the captain with his Prinz Heinrich cap is looking out through the porthole on the right." Owing to this camouflaging of conditions in the SPD, Schmidt was more dangerous than "socialist openly conducting themselves as such." Since Schmidt and also Minister of Defense Apel had to pay greater attention to the SPD party decisions than to the military security of the Federal Republic, they were in the wrong place and could "not fulfill their oath of office."

Strauss rejected the reproach that the CSU was against internal peace and external security, voicing the surmise that CSU politicians were to be made out to be "madmen" since in fact only a madman could fail to respect peace and security. Actually there were three demands that had to be made of the policy of detente. First, it must not be left to the Soviet Union "exclusively and as a kind of monopoly" to determine what detente was. Secondly, there must not be any letup in the vigilance of the West. And, finally, an actual detente had to be regarded as "indivisible"--that is, it had to apply to Africa as well as Europe. For it was the strategy of the Soviet Union to attack the flanks of the Western alliance and thus to loosen it. In this connection Strauss noted a "creeping alienation" between the United States and Europe. "America," he said, "is no longer prepared to force on Europe its own security." The nuclear shield of the United States was "no longer available to Europe to an unlimited extent."

The substantial danger, however, arising for the West in light of the strategic threat against the Atlantic alliance and the crushing superiority of the Warsaw Pact in the field of conventional weapons was a "change in leadership" in the Kremlin. Strauss indicated that the future rulers might be more inclined toward war than the present ones. He therefore rejected an Ostpolitik which was mainly a "contribution to international gemuetlichkeit." It was rash and dangerous "agreeably to talk around" military problems, because external security was the most important prerequisite of our existence. Strauss, however, repeated his assurances that he would observe existing treaties, holding out the prospect of an "unambiguous, calculable and honest Ostpolitik."

8790

CSO: 3103

AUTHORITIES CONCERNED OVER NEO-NAZI MOVEMENT

Munich SUEDEDEUTSCHE ZEITUNG in German 22-23, 29-30 Sep 79

[Report by Volker Skierka, member SUEDEDEUTSCHE ZEITUNG editorial board: "Neo-Nazis Rehearsing Terror"]

[22-23 Sep 79 p 8]

[Text] "Left sects will precipitate right sects; the 'left' violence (RAF [Red Army Fraction] 2 June revolutionary cells) 'right' violence. For the time being right conceptions are still taboo in Germany and will continue so for another few years. But the time will come when our 20-year olds will view the fascist period just about like the Napoleonic era. Soon even the majority of teachers will be of the post-1945 generation; the proscription of fascism will be replaced by historical analysis. It is then that we will get right Baders, at first with a proletarian background. True, they will have no international backing, and it will therefore be easier to fight them. But their individual brutality will be all the greater."

On 25 November 1977 Berlin Science Senator Peter Glotz (SPD) wrote these words in his "Political Diary." His prophecies seem to come true earlier than he then suspected. No more than 18 months later, in the summer of 1979, the Federal Ministry of the Interior's report on the defense of the constitution in 1978 does more than anxiously mention the "once more substantial rise in the incidence of right extremist outrages" and "the increasing readiness for the violent use of arms." It actually says that, for the first time, "terrorist actions have been noted among neo-Nazis."

Lately two trials in particular served to illustrate the hitherto rather underestimated but dangerous trend in the right extremist and neo-Nazi movements: The trial of 36-year old machinist Wolfgang Rahl and nine of his supporters for another try at establishing the NSDAP [National Socialist German Workers Party], banned by order of the Allies in Berlin, and that of the two Bundeswehr members Michael Kuehnen (24 and Lothar-Harold Schulte (26) and six of their comrades in Lower Saxon Bueckeburg.

The case of the Kuehnen/Schulte group represented the first occasion when ultra right radicals were tried for launching a terrorist association in the meaning of article 129a of the penal code. The prison sentences imposed (4-11 years) are the most severe pronounced by a German court on neo-Nazis since the establishment of the Federal Republic. Former staff sergeant Schulte, sentenced to 11 years, and some of his buddies tried with him were found guilty of many brawls, attacks on military installations, stores and a bank. In the course of these attacks they managed to steal weapons, ammunition and more than DM120,000 in cash. They were also planning to use explosives to attack the Berlin Wall, the transit road Berlin-Lauenburg and to liberate former Hitler deputy Rudolf Hess from the Allied jail at Spandau.

Disregarding the 6-year sentence imposed in 1971 on Bochum psychopath Ekkehard Weil for the attempted murder of a Soviet soldier at the Russian memorial in West Berlin, the most severe sentence pronounced on a right extremist was that of 3 years imprisonment for NSDAP "Local Branch Leader" Rahl in Berlin. Following conviction he was promptly arrested in court and taken into custody. Some of his co-defendants also received quite hefty sentences--without probation. They had long promoted the reestablishment of the NSDAP and also possessed weapons. Berlin's Interior Senator Peter Ulrich considered them one of the most militant right radical organizations.

While protesting their complete innocence in court, they talked of "revenge" in the hall outside, boasted of reliable followers with whom they would be perfectly able to match such deeds as the murder of employer association president Schleyer and federal prosecutor general Siegfried Buback. In his judgment presiding judge Hueller therefore said quite plainly that the Berlin NSDAP and its links in the federal territory were by no means a collection of harmless dreamers whose meetings were to be considered no more than beer bashes. He described them as quite a solid group which intended to resurrect the Hitler party. The verdicts were intended to "give a warning to all those who are still obsessed by the past." It was not to be tolerated for this "criminal gas chamber party once again and with impunity to raise its ugly head."

The two trials signaled the greater readiness of the prosecuting agencies to tackle the right radicals and do so with greater severity. Still, the prosecution is not always consistent--that much we learned in the course of the trials of left extremist offenders. The two trials demonstrated this fact once more. In Bueckeberg it was precisely chief defendant Kuehnen who got away most lightly: He was sentenced to 4 years jail because the judges did not consider that the prosecution had proved either his membership or any leadership function in a terrorist organization. This opinion was not affected by Kuehnen's proclamation of Nazi slogans at the trial nor by the fact quoted by the prosecutor's office that the former lieutenant is the founder of the "Acton Front of National Socialists" (ANS)--known to be particularly militant--and the right terrorist underground movement "Werewolf."

Observers at the trial were also disagreeably surprised by the appearance for the defense of Gary Lauck, the head of the NSDAP-AO [overseas and

promotion organization], who hails from Lincoln, Nebraska. For his appearance as a defense witness for Kuehnlen, Lauck who is able without any hindrance to flood the Federal Republic with the nastiest possible national socialist propaganda material, was granted a 3-day safe conduct by the Federal Courts. Imagine the reaction of the public and the politicians if "Borzi" Baumann, the wanted former member of the "2 June Movement" had been granted official protection by the highest court to come to Berlin for 3 days in order to "ensure a fair trial" for his former companions, speak in their defense and vanish again into the underground. In the proceedings against the Rahl group the public prosecutor's office distinguished itself initially by returning to the defendants evidence earlier seized by the police. This included a "verdict" issued by the "district court for party matters," which dealt with the expulsion of a disloyal NSDAP comrade.

Authorities Concerned

Such attitudes indicate that apathy still outweighs concern with regard to right radicalism. In the higher echelons, though, anxiety has tended to grow. The Federal Minister of Justice and his colleagues in the Laender appreciate that central direction of the surveillance of the situation is required to enable the authorities properly to appreciate and deal with the issue. Since August 1978, for example, the Laender have been reporting to the Federal Minister of Justice about the status of proceedings against right extremists. By using the data supplied the Ministry of Justice is now better able to deal with the accusation--frequently quite justified--that the prosecution of neo-Nazi actions tends to be lax and leisurely, and that in fact the authorities often turn a blind eye.

According to Federal Ministry of Justice reports the findings of Land prosecutors offices as passed on to the federal capital involved more than 700 cases in the past 12 months. In the period from August 1978 to August 1979 legal decisions were issued in the case of 96 persons, another 92 verdicts are not yet legally valid. Few defendants were found not guilty. The most severe sentence so far pronounced was 11 years, the largest fine DM14,000. That fine was imposed on Werner Braun, head of the "German People's Association" for infringement of the weapons law; the general manager of a toy firm was fined DM12,000 because his firm had sold model toys decorated with the Nazi emblem.

Indictments were issued against 85 persons, and the public prosecutors offices have initiated investigations of 261 alleged right extremists. Investigations are proceeding against 7 right extremists alleged to have launched a terrorist association; 20 of them are in custody pending trial, a warrant is out for another 4. Within the past 12 months the courts have examined about 100 books, magazines, leaflets and records to see whether their content was actionable; some were put on the index of the Federal Examiners Board for Writings Likely to Endanger Youth and consequently at least banished under the counter.

At the instigation of the Bonn authorities the Ministry for Foreign Affairs has now sent a circular to all Federal German missions abroad, asking them to keep an eye on the activities of right extremist groups in their area. That was done because more and more frequently organizations in the Federal Republic collaborate with groups abroad, organize joint camps and solstice celebrations--this year, for example, in Spain.

According to the report issued by the BfV [Federal Office for the Protection of the Constitution] for 1978, the right extremist organizations in the Federal Republic and West Berlin had 17,600 members in 76 organizations and groups. About 8,500 of them were NPD [National Democratic Party of Germany] members. Records, books and magazines were issued by 41 publishing houses and distributors, and so were 104 regular publications and newspapers printing a total of 178,000 copies per week. The DEUTSCHE NATIONAL-ZEITUNG of Dr Gerhard Frey alone prints about 100,000 copies. These figures show that the circle of recipients and sympathizers for national socialist ideas is far wider than indicated by the membership records of the right radical organizations.

Two of the 76 right radical groups are small neo-Nazi associations with about 1,000 members. Some 200 of these represent the "hard core." According to BfV investigations they are repeatedly in evidence "by their militancy and fanaticism as well as overwhelming hatred of the democratic system"; they have left behind the stage of mere propaganda and made the transition to action. Already known to the authorities by their violent behavior are 140 members of the "hard core": They were involved in brawls, threatened violence, obtained explosives or weapons and planned and carried out actual terrorist operations. Seized in 1978 were 9 explosive devices, several thousand rounds of ammunition, 5 hand grenades, a machine gun, an automatic rifle, 22 rifles, 8 submachine guns, 6 hand guns, 3 air guns, 2 smoke projectors, several bayonets, 16 knives and 38 striking devices such as chains and knuckledusters. According to the BfV reports nearly every search of a right radical's home results in the seizure of weapons or ammunition.

Last year the police and justice agencies recorded 52 acts of violence and 940 other offenses, the largest incidence of right radical outrages since 1960. By comparison to 1977 this represents a 61 percent increase which followed a 93 percent rise in 1977. The trend in 1979 appears to even exceed that of the last 2 years. The BfV men listed 890 "relevant criminal actions" in the first 6 months. Of that figure 292 antisemitic and neo-Nazi outrages were committed in the old "Reich capital" Berlin which, together with Hessen and Lower Saxony, is considered the main arena for right radical elements. The Berlin authorities dealt with "only" 99 similar excesses in the first half of 1978.

The Karlsruhe Federal Prosecutor's office is therefore more and more frequently involved with right extremists, after having long been preoccupied with the terrorist actions of left radical groups. Among the operations of the Federal Prosecutor General's office was the preparation of the trial of the Kuehnert/Schulte group. Pending at the moment is the trial of 55-year old Branschweig mechanic Paul Otte and six of his followers who are suspected of having

launched a terrorist association. In the fall of 1977 a bomb exploded at the Hanover county court building, another in the building of the Flensburg municipal court. Two so-called pipe bombs were seized by the police. Several investigations are proceeding in the Rhine/Main district against neo-Nazis who are alleged to have planned the murder of two people prominent in public life.

Like the group around Otte another terrorist association headed by 60-year old retailer Heinrich Eisermann planned to bomb court buildings, synagogues and the Hamburg Masonic Hall. The police seized firing charges for "infernal machines" as well as weapons. Another federal prosecutor's investigation of right extremist groups is proceeding with respect to two high explosive attacks on radio transmitters belonging to Suedwestfunk and the Federal Post Office respectively. When the charges blew up, the television transmitter was carrying a preview of the series "Holocaust" which deals with the annihilation of Jews in the Third Reich. Karlsruhe concentrated its attention on the NSDAP-AO, because its operations "may well be oriented to the execution of criminal violence." For the time being, though, the authorities do not seem to have sufficient evidence to indict--as per article 129a--the Berlin NSDAP group headed by Rahl.

Transferred to the prosecutor general at Schleswig Superior Court was the investigation of Kuehnen and three of his "political buddies"--including the well-known Gunnar Pahl--on suspicion of having planned to kill SPD chairman Willy Brandt and take the Federal Prosecutor General hostage. According to Karlsruhe further investigations have aroused "substantial doubts" in regard to the group's intentions. Among the organizations of the "hard core" repeatedly mentioned in connection with investigations and trials are 15-20 associations which are not banned. They include Kuehnen's "Action Front of National Socialists," the "Anti-Comintern Youth," which last year became conspicuous in a mass brawl with the Socialist German Workers Youth (SDAJ), the "German Popular Association" of previously convicted Werner Bram of Karlsruhe, who publishes (among others) the extremist and militant pamphlet series DER ANGRIFF [Attack]. Also included are the various "NSDAP districts" spread across the entire federal territory and its alleged 8,000 followers, the "NSDAP-AO" of American Gary Lauck as well as the "Viking Youth," wedded to the "German race ideal," and the "Hoffman Military Sports Group" from Heroldsberg near Nuremberg, which regularly carries on paramilitary exercises with obsolete military vehicles and old army engineering equipment. Participating members wear uniforms resembling those of the Hitler armed forces and the SS. The military sports group has around 400 followers, some 90 of them active. Combat and military sports groups on a smaller scale are by now to be found all over the federal territory. In Berlin last year a "Combat Group Priem"--winkled out only recently--even made it into the telephone directory.

Still, despite the worrying escalation of violence right extremism does not yet represent "a danger to the free democratic constitution of the Federal Republic"--or so we read in the BfV report. This is due mainly to the fact that the right extremists "do not pursue a united strategy, are organizationally splintered and have no real leaders." The BfV believes this to be a

a correct assessment because it has fully infiltrated the right extremist groups (in contrast to the left extremists) and is therefore able "to control them." The question arises, though, how long this will continue. As time goes on, reports a senior official with the BfV, "they are close more and more loopholes and developing improved conspiratorial methods."

[29/30 Sep 79 p 8]

[Text] The fact that the German neo-Nazi groups are not yet considered by the BfV to be a danger to the free democratic constitution may be due to the fact that they are feuding with one another, and that their leaders are embroiled in personal conflicts. Associations continue to splinter, new ones are launched. The power struggle among old and new Nazis for the job of Reichsfuehrer, to be acknowledge nation-wide, and the efforts of the various associations to serve as models might, however, lead to an escalation of violence and ultimately threaten parliamentary democracy.

In a poll DER STERN ascertained that even now 38 percent of the public consider Hitler one of the greatest German statesmen, 36 percent believe the Third Reich--aside from the war and the persecution of the Jews--not to have been all that bad. The "press committee for democratic initiative" quotes polls according to which about 7 percent of all federal citizens--at times of crises even 12-16 percent--would support a Nazi party.

As at elections the NPD never gets votes worth a mention, its sympathizers must be sought elsewhere. Researchers in fact found that these people either do not vote at all, spoil their ballots or are settled at the margin of the democratic parties. Nor would it be true to say that only the CDU--and especially the CSU--is involved. Voter analyses after the 1975 Berlin assembly elections showed the contrary. It is therefore not particularly helpful for the CDU and CSU constantly to accuse Social Democrats warning of right extremism that they merely want to divert attention from the dangers of left extremism.

The BfV report confined itself to listing instances of right radicalism subject to criminal prosecution. The "press committee for democratic initiative" on the other hand--without claiming to be 100 percent complete--listed those legal or semilegal neo-Nazi operations such as demonstrations and meetings which the average citizen rarely notices. According to this list nearly 280 such events with varying attendance figures occurred in all federal Laender last year. There were 21 right radical youth camps, especially those organized by the "Viking Youth" which apes the Hitler Youth, and 15 solstice celebrations.

Children and youths attending these "Viking Youth" camps submitted to paramilitary drill in the fresh air. Youngsters aged 6 (boys and girls) frankly told observers who had infiltrated the camp: "We are training for war." At night, round the camp fire, German musical heritage sounds forth, such as the Horst-Wessel song, and soon more modern chants also, such as: "Let the

knives flash and cut up the socialist swine," or "blood must flow in rivers, we shit on the Federal Republic." Usually these meetings--tolerated by the authorities--are addressed by the "fuehrer" of the Hofmann Military Sports Group" from Heroldsberg near Nuremberg, who then proceeds to show the admiring youngsters what he and his men can do.

Modern neo-Nazism does not have a textbook. Instead it calls upon the well known old sources and other (dead or alive, but equally unsavory) authors of nationalist and racist pamphlets. The present day followers of national socialism concentrate on three principal issues: The whitewash of the Nazi rule of terror in the era of the Third Reich, the repudiation of any German war guilt and the disclaimer of the murder of some 6 million Jews. All this, the agitators assert, is merely the invention of the victorious powers, the "occupation terror regime of the Jewish parties," designed to blackmail the German people. Current policies are judged by the criteria of the Third Reich, and this results in the constant denigration of the Federal Republic and its representatives as well as contempt for the democratic system. Honored instead "as the holy heritage of the German nation" are--according to the book "Neofaschismus--Die Rechten im Aufwind" [Neofascism--the Right on the Ascent] --"Customs and tradition," "obedience and duty," "honor and loyalty," "discipline and order," and "blood and soil."

This "ideological foundation" is surrounded by a wealth of pseudoscientific literature. Its authors are firmly convinced that their works will live on in history, provided they diligently quote one another. Still, these nicely produced writings sell well among the disciples of the Nazi leaders. Some of the most astounding products in this field are books such as the American Arthur Butz' tome "The Fraud of the Century" on the alleged "swindle regarding the murder of the Jews" and, on the same topic, "Der Auschwitzmythos" [The Auschwitz Myth] by former Hamburg judge and now right radical attorney Wilhelm Saeglich. The Federal Examiners Board for Writings Likely to Endanger Youth has put both books on the index after long drawn-out investigations, and they are therefore banned from open sale. The public prosecutor's office also has begun to take an interest.

None of this prevents the right extremist associations from disseminating their opinions on tons of other printed paper or by mouth to mouth propaganda, sometimes in full sight of the security agencies, because the BfV may observe a great deal without necessarily passing the information on to the public prosecutors' offices. Investigators complain that they tend more often to receive early reports from the SED central organ NEUES DEUTSCHLAND. In addition the statutory limitation for printed matter is only 6 months, so the prosecuting organs miss quite a lot. Some right radical publishing houses therefore go so far as to antedate their output.

The wave of propaganda hits the country in various ways: Surprise packages for children are offered, containing photographs of Hitler, Goebbels, Goering and other Nazi luminaries; at hiking parties plaques and coins

bearing the heads of the Reich leaders are distributed, and--respite the ban by the Federal Supreme Court--toys with the Reich emblems are still on sale.

Concentration Camp Horror on the Disco Scene

Even the disco wave is exploited to popularize and prettify the dark German past. Earlier public events were dominated mainly by foreign Rock and Punk groups such as the Sex Pistols who went on stage with the banner of Nazi symbolism. Last July we learned that there is now a German group also, which sets out to shock with concentration camp horror. It is a group from Erlangen which has--tastefully--assumed the name "Belsen Boys," derived from Bergen-Belsen, one of the most infamous of Hitler's concentration camps. Incidentally, the Kuetzen/Schulte gang, convicted in Bueckeburg, had planned an attack on that camp also.

Not without logic are the schools considered by the neo-Nazis to be an important field for their propaganda. Reports have come from Schleswig-Holstein about "Hitler memorial services" at two secondary schools; Nazi songs rang out from a Munich secondary school, and in Berlin a Jewish teacher entered his classroom to find that students had scrawled on the blackboard: "Gas the Jewish pig." A Frankfurt school is alleged to have found "death lists" enumerating Jewish citizens and antifascists; antisemitic jokes are circulating in classrooms, and left teachers are told that they should be shot. Occasionally teachers will play the same game and teach their students race science and national socialist ideas. Six young neo-Nazis broke up a discussion meeting in Berlin's "Hall of the Church," which was talking about the holocaust, browbeat the assembled public by yelling Nazi slogans while one of them goosestepped up and down in a frightening black uniform until the police arrived.

Frequently the police are too late. By the time they come a Nazi flag is waving somewhere--one morning on the Victory Column in Berlin--or walls are daubed with Nazi slogans and posters proclaiming such phrases as "NSDAP Now," "Perish Red Front," "Don't Buy from Jews," "We are Back--NSDAP." Once in Berlin they attacked two journalists--including an Englishman--who had gone to look into the Cafe Fatherland (a Nazi meeting place now closed down), because it was reputed to be furnished like a wartime trench.

It is particularly embarrassing when we see government agencies "profiting" from the Nazi wave. In early October Bavarian Justice Minister Hillermeier admitted that tax offices in his Land had included Nazi decorations in various auctions. He even managed to find a law which lent constitutionality to this trade. Nor are some well reputed antique dealers ashamed to turn a quick profit by the sale of Nazi memorabilia, because many a memento of the brown era is now quite valuable. If the demand for genuine items cannot be met, copies are supplied. Hitler's "Mein Kampf" is printed (in facsimile yet) in Spain, "old" new coins are imported from Italy. Even the kids are remembered: Japanese toy manufacturers supply German firms with swastika-decorated bombers. Similar stuff comes from France, Britain, the United States.

The law enforcement agencies are quite upset because precisely those countries which keep on reiterating their concern about the danger of right extremism in the Federal Republic do quite a good export business by exploiting this phenomenon. A similar commerce is flourishing also on their home ground. In Madrid toy shops, for example, Adolf Hitler salutes passers-by with outstretched arm, and at newsstands all over the country the most disgusting so-called Nazi porn is sold. There are magazines printed in lurid colors and depicting beautiful German maidens being raped and tortured under the swastika and, in the guise of documentaries, displaying mountains of naked concentration camp corpses for the enjoyment of necrophiliacs. (The latter, for example, in the Madrid porn magazine PEN, No 19.) National socialist champion Gary Lauck, unhindered by the authorities in his country, is able from the United States to flood the Federal Republic, South America, South Africa, Namibia and Australia with tons of national socialist propaganda material prepared by his NSDAP-AO, and ranging from stickers to newspapers. All this at the same time as the Americans in Berlin--together with the British and French--ban the reestablishment of the NSDAP. Among the best known of the militant Lauck's writings is the NS KAMPFRUF [National Socialist Call to Arms], where Hitler is honored as "Germany's greatest son." Last year, on the occasion of distinguished former Bavarian Minister President Wilhelm Hoegner's 90th birthday, the NS KAMPFRUF published a "poem" including the verse: "Hoegner, you old gangster, you are 90 now and still alive. You were present in Nuremberg also, and in revenge we'll beat you to a pulp, you and your brood. ...The day of reckoning is dawning, the People's Court will sit in judgment, and Hoegner will hang without anybody asking his opinion." The NS KAMPFRUF gives tips on how to behave in the case of arrest. ("We will deal with potential prosecution witnesses," "warn officials either openly or covertly of possible retribution. We will not hesitate in the proper circumstances to make an example of someone.")

In the meantime the neo-Nazis have also acquired a satisfactory reservoir of sympathetic attorneys--such as Manfred Roeder from Frankfurt who is now wanted by the authorities.

The authorities are completely in the dark about the groups financial resources because their recruits in fact tend to originate from the lower income strata. Only once, at the trial of Karl Franz "Nazi" Mueller (49), did it come out that Gurnar Pahl--who had on several occasions come to the notice of the courts as the "Nazi traveling salesman"--was entrusted with handling a "brown aid" fund. Wolfgang Rahl, also, convicted in the Berlin NSDAP trial, once mentioned during an adjournment, that there were people "who give us money. And that is most important." It is certain that some of the money comes indirectly from the earnings of the right radical publishing houses which, according to the BfV, are highly profitable. Incidentally, these publishing houses have such exceptional profit margins because they need not pay the usual royalties for their records and books which are filled with Hitler speeches and other national socialist ideas--promoted by them as documentary evidence but in fact available to everybody in the Federal Archives at Koblenz.

Swastikas on Toys

The Federal Examiners Board for Writings Likely to Endanger Youth has a vital role in combating right extremism. By now it has put more Nazi stuff on the index as being of a pornographic nature. The public prosecutors offices are investigating 92 cases of alleged incitement to violence, slander of the Federal Republic, and so on. Involved are, among others, such titles as "Anne Franks Tagebuch--Der Grosse Schwindel" [Anne Frank's Diary--The Great Fraud], "Die Wahrheit Ueber Adolf Hitler" [The Truth About Adolf Hitler] and "Durch Rassenvermischung zur Weltherrschaft" [By Miscegenation to World Dominion]. After a storm of public protest, a publishing house dropped its plan to transform Hitler and the Third Reich into a comic strip for general distribution.

Significant also was the Supreme Court verdict of 25 April last, which banned the display of national socialist symbols on toys. Manufacturers now can no longer appeal to article 86 paragraph 3 of the penal code, which permits the use or distribution of emblems of banned organizations within the framework of civic instruction.

Victorious in the Supreme Court, on the other hand, was a Nuremberg retailer who had been convicted for selling Hitler's "Mein Kampf" at the city's flea market. The justices acquitted him and thereby made legal the sale of "Mein Kampf," because it was deemed to be a "preconstitutional" book. It could, therefore, not be interpreted as an attack on the free democratic system, seeing that neither this constitution nor the Federal Republic of Germany existed at the time of writing. This highly controversial verdict (which will certainly have a profound effect) does, though, amount to an indirect challenge to the legislative unequivocally to include preconstitutional Nazi writings in the ban on the distribution of anticonstitutional propaganda material.

11698

CSO: 3103

SCIENTISTS VIEW ENERGY, RAW MATERIALS PROBLEMS

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 28 Sep 79 p 14

[Article by Hugo Mueller-Vogg: "The Market--Slowly but Exceeding Fine"]

[Text] Mannheim, 27 September. To replace increasingly scarce raw materials by readily available materials; to exploit undeveloped deposits; to find synthetics to replace natural materials; to avoid vanishing raw materials and to use unconventional processes for producing energy--can these be accomplished by the market or will the government have to lead out here? Many politicians and a large part of the public see in this challenge of raw material shortage and price increase a requirement to abandon supply and demand. The Society for Economic and Social Sciences--Union for Social Policy--at their working symposium in Mannheim, attempted to show all of them that such a policy would be the wrong way.

Dr Horst Siebert, University of Mannheim, the scientific leader of the symposium, clearly formulated the "central theme": prices and profits are the economic lever to induce businesses and households to adjust to the new supply situation. Alternatively, central bureaucracies lack the information and imagination to effect the required changes with any hope of success.

The 450 participants, mostly college teachers from the German-speaking area, though acknowledging the greater performance capability of the market, could offer no "blue-eyed market-economy ideology." Prof Carl-Christian von Weizaecker, Bonn University, observed in this connection that it reveals little insight into the functioning of the market economy to expect rapid and frictionless adjustments from the market; supply and demand often reset to new prices only after a time lag. Because of this it is imperative that prices be allowed to move freely and that one summon the patience "to wait long enough."

In the long term, the scientists in Mannheim are thus thoroughly optimistic. They consciously take a position opposed to the decline thesis of the Club of Rome. It was pointed out that in previous history nothing has increased so strongly in price and has become so short in supply as human labor; yet growth has not stopped. From 1870 on, all raw materials have been falling

significantly in price relative to labor (Prof Dr Erich Streissler, Vienna). Further, it was frequently noted that higher prices for scarce oil have set in motion much that was greatly impeded at lower prices: the recovery of the North Sea oil for example; the rediscovery of coal liquefaction or the development of gasoline engines with greater fuel efficiency. With all these changes, the industrial nations have not just reduced or solved present problems. When increasing raw material prices make profitable the exploitation of previously uneconomical deposits or lead to the development of new technologies, then they also help preserve raw materials for future generations.

Should we then thank the oil sheikhs for their price policy? Frequently in the papers and speeches, it has been intimated that the behavior of the OPEC countries is certainly not so irrational as is often represented. The oil-producing countries can only get by with decreasing the supply and raising the price as long as the oil consumers fail to increase their independence through a combination of economizing measures and the application of new technologies. But this development cannot be forced by laws; government agencies are not the proper vehicle for fostering innovation, said von Weizaecker. On the contrary, Hayek's formula of "competition as discovery process" could be applied to the question of depletable raw materials.

The scientists' faith in the notion that the market's mill grinds "slowly but exceeding fine" (von Weizaecker) was not so blind that they disavowed the necessity for government intervention in many "painful" adjustment processes still to come. For sure, the often advocated choice of natural market forces before managed economy measures has led to few concrete proposals. Often expressed was the concern that when the government intervenes, the action itself creates the need for continuous support of the economy.

Carl Christian von Weizaecker made, by far, his strongest point here. Since there are good reasons for high energy costs, he proposed a new tax on energy consumption. Its revenue would be used to decrease the tax load on and to increase small incomes. The people could then determine their energy consumption level and finance it themselves--without the government which, with compulsory measures and subsidies, is excessively involved. But governments require such control even when they do not want to control all details. What was condemned at Mannheim was the lack of will to resist excessive intervention.

9160
CSO: 3103

PCF'S HERMIER HITS DEFENSE 'ALINEMENT WITH NATO'

LD120837 Paris L'HUMANITE in French 3 Oct 79 p 3 LD

[Report by Magali Jauffret, Michel Strulovici: "A Euro-Atlantic Defense"]

[Excerpts] The national assembly has opened its fall session. The first sitting was devoted to the "government declaration on the implementation and updating of the law on military planning" followed by a debate. Without a vote. The government is apparently trying to skim over discussion on one of the main subjects of national independence.

Guy Hermier (PCF) pointed out that the government is avoiding debate. Noting the remarks of the minister [Defense Minister Bourges], who was speaking of regular increases in appropriations for the military budget, he posed the real question: what is the aim of this effort which is being asked of the French? And he replied: "This defense policy is in no way national. It does not agree in any way with the demands of our country's security and independence. It is a policy within the Euro-Atlantic framework. It is a policy which allots to French forces the role of gendarme, particularly in Africa. For those two basic reasons, it is a policy which resolutely turns its back on detente and disarmament.

Guy Hermier denounced the "abandonment of the idea of national defense, for which the government has substituted that of European defense." He showed that the fine words of the army minister and the president of the republic are "mere phraseology intended to camouflage their policy of alinement with NATO."

He explained that by means of European arms production the government has embarked on a path of arms standardization which creates the conditions for a European defense and a European army. The proof? France participates in the European independent planning group and the conference of national directors [Conference Des Directeurs Nationaux], "organs which are in fact very closely linked to NATO and whose task is to work on making the different types of European weapons uniform." "One can see," Guy Hermier went on, "the meaning of the first serious measures adopted by the government in dismantling our arsenals and state establishments."

Citing General Mery's remarks on "our strategy based on anticipation of the battle of central Europe." He showed that the strategic options of this defense policy are aligned with NATO's policy. "This revision of strategic choices," he said, "was made inevitable by the fact that our country associated itself with the declaration adopted at the end of the Atlantic council session in Ottawa 19 June 1974 by the countries which signed the North Atlantic Treaty."

He noted the threats which this policy implies—"France could easily find itself involved in a conflict which had nothing to do with the security of its territory"—and showed that the policy accords with U.S. demands envisioning a "division of labor among the Atlanticist allies."

Referring to the Army and Navy reorganization, he stressed that the force being deployed will act as a backup to American imperialism in Africa.

Guy Hermier is indignant that this policy serves to step up the arms race. He noted France's absence from the Vienna talks on reducing arms in Europe. Moreover, France has the sorry privilege of being the world's third largest arms exporter and numbering Pinochet among its clients....

"In these conditions," he concluded, "it is clear that the PCF cannot approve or answer for these plans for national abdication which sell off our national defense—an indispensable element in the country's sovereignty and independence—to the benefit of a supranational military grouping under American and West German tutelage."

CSO: 3100

FRENCH, LEBANESE CP STATEMENT ON MIDEAST PROBLEMS

LD150743 Paris L'HUMANITE in French 2 Oct 79 p 9 LD

[Unattributed report: "Toward an All-Embracing Settlement in the Middle East"]

[Text] A PCF delegation visited Lebanon from 27 September through 1 October at the Lebanese Communist Party's [LCP] invitation.

During the visit the delegation met with PLO Chairman Yasir 'Arafat.

It met with the Lebanese National Progressive Movement Central Political Council Executive Committee. This movement also organized a reception in the delegation's honor which was attended by representatives from all the Lebanese national progressive parties, the various elements of the Palestinian resistance and many independent national figures.

The delegation visited southern Lebanon. It assessed the situation by talking with the LCP leadership, the Lebanese-Palestinian joint forces leadership and with residents and fighters, and observed on the spot the tragic and inhuman consequences of the attacks launched by the Israeli forces and the extreme rightwing militia installed in territory still occupied by Israel.

The delegation visited the Biqa region, where it learned about Lebanon's rich past and of the region's problems.

Following this visit the PCF and LCP adopted the following statement:

Joint PCF-LCP Statement

During its visit to Lebanon the PCF delegation comprising Politburo member and Central Committee Secretary Maxime Gremetz and foreign policy section member Jacques Couland had talks with an LCP delegation headed by party Secretary General Georges Hawi and comprising Politburo member and Central Committee Secretary Nadin 'Abd al-Samad and Politburo member Georges Batal. The PCF delegation was received by party chairman Nicolas al-Shawi.

These talks, which took place in an atmosphere of warm friendship and great understanding, related in particular to the situation in Lebanon and in the Middle East.

Lebanon is undergoing new trials as a direct result of the Egyptian-Israeli-U.S. Camp David agreements. Israeli raids are increasing in number, causing the deaths of large numbers of the civilian population which is already sorely tried by the exodus; the extreme right militia have proclaimed an "independent state" in the southern territories not yet evacuated by Israel. They have once again established a reign of terror and insecurity and are not attacking the Armenians and Christians opposed to their plans. Their objective is to strike a blow against both the Lebanese patriotic and democratic movement and the Palestinian resistance, because of the obstacle created by their alliance against attempts to impose a reactionary solution to the Lebanese crisis and a U.S. solution to the Middle East conflict.

The PCF delegation assured the LCP and, through it, all Lebanese patriots, of its solidarity with the action they are taking to oppose the external and internal attacks to which Lebanon is being subjected and to preserve its unity, its territorial integrity, its national independence, its Arab character and its Democratic development.

As events in Lebanon demonstrate, the Camp David agreements have not led to peace. On the contrary, they are a de facto political and military alliance leading to a deterioration in the situation throughout the region.

In the occupied Palestinian territories the plan to install an "autonomous" administration is leading to the establishment of new colonies and the intensification of repression.

The two delegations condemn such plans, which are contrary to the interests of the peoples and of peace. They reiterate their solidarity with the Palestinian people's just cause in fighting for the recognition of their inalienable national rights under the leadership of the PLO, their sole legitimate representative.

They reaffirm that there be no just and lasting peace in the region without the recognition of that people's national rights, including their right to establish their own independent, sovereign national state and without Israel's withdrawal from all the territories occupied since 1967. Such a solution, based on the UN resolutions, requires an all-embracing settlement in whose application all parties concerned, and especially the PLO, must be involved. Only such a solution can insure the rights and interests of all the region's peoples and contribute to the achievement of peace in the Middle East, which would represent a major contribution to the cause of peace and the progress of detente in the world.

The LCP delegation thanked the PCF for its strong principled solidarity with the LCP's and the Lebanese people's struggle.

The two delegations expressed their satisfaction with the broad agreement which emerged during these talks and more generally with the quality of relations between the two parties. They affirmed their determination to develop further the relations of friendship, cooperation and solidarity between their two parties.

This was confirmed by the invitation to LCP Secretary General Georges Havi to visit France for a meeting with PCF Secretary General Georges Marchais. The invitation was accepted with pleasure.

CSO: 3100

POSITIVE RESPONSE TO CASTRO PROPOSALS URGED

LD161353 Paris LE MONDE in French 14-15 Oct 79 p 1 LD

[Editorial: "Mr Fidel Castro's Proffered Hand"]

[Text] The idea of helping the Third World countries to help themselves while a recession is again threatening the rich nations has reappeared in some official circles. At the World Bank assembly in Belgrade recently World Bank Chairman McNamara advocated resorting to this type of understandable egoism while providing the West's bad conscience with particularly pessimistic statistics. For example 800 million human beings are living in a state of absolute poverty, 30 million children under the age of 5 die of starvation each year....

This is a permanent scandal but it takes spectacular tragedies like that of Cambodia to rouse public opinion a little. Opposite a small pocket of relative prosperity numberless masses are suffering from poverty. Their leaders, to the extent that they care, do not hold the keys to their fate. Despite the development of a few countries or at least of a minority of their populations, three-fourths of humanity account for only 5 percent of world trade and represent 10 percent of the world's industrial production. Furthermore, unless something is done to curb their demographic growth by the end of the last quarter of the 21st century 9 out of every 10 inhabitants of the world will live in countries which are euphemistically called "developing" countries.

This picture, which also hides the deep inequalities between poor nations themselves, is likely to become even gloomier in the immediate future. Following the oil price rise and western inflation the Third World's terms of trade will deteriorate very seriously for some countries while their exports will suffer the effects of the economic recession in the developed states. Their balance of trade deficits will then grow worse and their debt could reach \$360 million next year.

In face of what is a denial of justice rather than a challenge, the efforts being made seem derisory. On the eve of the "third decade of development" the OECD's public aid does not even represent half the target fixed 10 years ago while arms spending—\$1 billion per day—is more than 20 times higher.

In view of such a gloomy situation, Mr Fidel Castro did not have to exaggerate to move his audience at the United Nations on Friday. Everybody knows the Cuban leader's oratorical talent but, on this occasion, he showed some subtlety. He attained his objective by a certain moderation which is unusual in him. Portraying himself less as a Cuban revolutionary than as head of a universal movement--which he could legitimately do as current chairman of the nonaligned countries--and holding out his hand rather than shaking his fist, he won over an audience which, at the beginning of his speech, listened to him rather unsympathetically.

It remains to be seen how much sympathy will remain once the emotion has subsided. Fidel Castro's opponents and supporters will stand up and be counted in 2 weeks' time when Cuba stands for membership of the UN Security Council. After that we must talk in terms of hard cash. But why not for once try to escape from the usual dilemma: does bread for those who lack it necessarily mean sacrifices for those who already have it? Do the north-south "cooperation solutions" which Fidel Castro, after many others (including the French leaders), is suggesting we seek, not open up another way of benefit to all? Why not tell him: You're on!

CSO: 3100

USSR-FRENCH ECONOMIC PROSPECTS REVIEWED

LD121539 Paris LE MONDE in French 7-8 Oct 79 p 20 LD

[LE MONDE correspondent Daniel Vernet dispatch: "Franco-Soviet Grand Commission: Economic Cooperation is Satisfactory but Important Plans Remain To Be Developed"]

[Text] Moscow--After the meeting of the Franco-Soviet Grand Commission on 4 and 5 October Mr Rene Monory, French economy minister, expressed satisfaction with the atmosphere in which its work took place, as well as with his talks with the head of government, Mr Kosygin, and his Soviet colleague, Mr Patolichev, minister of foreign trade and cochairman of the Grand Commission.

The French and Soviet sides noted with satisfaction the development of trade exchange over the last 5 years (the trebling of trade decided on at the Rambouillet summit in June 1977 will be achieved) and examined measures intended to maintain this trend in exchanges during the next 5-year period (1981-1985). However, the noticeable fall in Soviet orders since 1977 gives rise to predictions of difficult years from 1980.

Mr Kosygin and Mr Patolichev stated that the Soviet Government has decided to make special provision for economic and industrial cooperation with France in its next 5-year plan. The sector working groups, which are to be restructured in view of the new goals, will be closely involved in defining "openings" which Soviet planners could reserve for French industrialists.

However, at present the preparation of the 5-year plan is not sufficiently advanced for sectors of cooperation--still less major industrial projects--to be already determined. It seems that the exploitation, processing and transportation of natural and energy resources are to constitute one of the priority goals of the next plan. Thus the Soviets would like to exploit a gas deposit near Astrakhan and, in view of the good results of Franco-Soviet cooperation at Orenburg, they would like to involve the French--provided, of course, that French proposals are competitive.

Also, Peugeot-Citroen is interested in modernizing the Moskvich car plants and is here competing with the Germans and Americans. One difficulty in this contract lies in the fact that the Soviets want their future partner to buy most of the output.

Scientific and technical cooperation is proceeding satisfactorily in space exploration and exploitation (the preparation of a space flight with the participation of a French cosmonaut), color television and the utilization of nuclear power--spheres in which the French and the Soviets have made comparable technological choices (since fast breeder reactors, uranium reprocessing, desalination of seawater and the French process of isotopic separation by chemical treatment do not present any danger of proliferation).

France would like to increase its purchases of natural gas from the USSR initially from 2.6 billion cubic meters to 4 billion cubic meters per year in accordance with an agreement already made, but transport capacities to Western Europe are at present fully loaded. The Soviets will embark on the construction of a new gas pipeline only when they are capable of increasing their deliveries to Europe by 40 billion cubic meters--a figure which more or less corresponds to the capacity of the new Astrakhan deposit.

Finally, as regards the triangular contract between Iran, the USSR and a consortium of West European companies which has to permit Western Europe to receive about 10 billion cubic meters of gas from 1981 the Soviets told their partners that talks with the new Iranian Government are to be resumed as soon as possible. They believe that, contrary to certain information from Tehran, the contract could still be implemented.

CSO: 3100

INTERVIEW OF PSF'S MITTERRAND OUTLINED

[LD170905]

[Editorial Report LD] Paris LE MONDE in French 5 October 1979 carries on pages 1, 12 and 13 a 5,200-word interview given by French Socialist Party First Secretary Francois Mitterrand to Raymond Harrillon, Andre Fontaine and Gilbert Mathieu at an unspecified time and place. Referring to PCF-Socialist Party relations, Mitterrand states that, in his opinion and contrary to the PCF leadership's attitude, "what unites the popular forces is more important than what divides them," and he expresses the hope that the PCF will modify its tactics before the 1981 presidential election.

Discussing problems connected with state institutions, Mitterrand states that the socialist party would like, among other things, to "reduce the president's prerogatives, restore the rights of government and parliament, extend referendums to all questions of national interest, and insure really free information," adding that for this it would "probably be necessary to revise the constitution."

Referring to national defense problems, Mitterrand confirms that the Socialist Party has decided to support, albeit "without enthusiasm," the French nuclear defense force policy, since "reality" must be faced and "there is nothing automatic about alliances." This means, he adds, that France must seek to insure its own security.

After criticizing the capitalist system, especially multinational companies, in general and the French Government's economic policy in particular, Mitterrand outlines the reforms a left government would want, including "nationalization of crucial development undertakings and democratic planning."

Discussing international problems Mitterrand asserts that "underlying tensions" connected with "nuclear proliferation, SALT II ratification, a possible SALT

III agreement, German reunification and competition for scarce raw materials" are "most dangerous" factors. These tensions are increasing, he states, and "could lead to a nuclear war" unless preventive measures are taken by the present generation. In conclusion, Mitterrand expresses satisfaction with the recent meeting between a socialist international delegation and Brezhnev in Moscow, adding that Brezhnev was "obviously pleased with the socialists' contribution to the cause of peace."

CSO: 3100

COMMUNIST INTELLECTUALS PETITION CSSR AMBASSADOR

Appeal Refused

LD 121353 Paris LE MONDE in French 10 Oct 79 p 9 LD

[Unattributed report: "Communist Intellectuals to Send Delegation to Czechoslovak Embassy in Paris"]

[Text] Since the Czechoslovak ambassador to Paris has not replied to a request for an audience sent to him 17 September, communist intellectuals decided to send a delegation to the embassy at 1030 hours Wednesday 10 October.

These intellectuals, 141 of them, have signed an appeal against the political trials in Czechoslovakia. Among the signatories are Etienne Balibar, philosopher; Marcel Bluwal, television producer; Louis Daquin, theater producer; Jean Elleinstein, historian; Jean Ferrat, artist; Andre Fougeron, painter; the writers Gilles Perrault and Vladimir Pozner; Roland Rappaport, lawyer; the producer Antoine Vitez, and also Jean and Nina Kehayan, Lise and Arthur London, and Mme Christine Buci-Glucksmann, philosopher.

Entry to Delegation Denied

LD121355 Paris LE MONDE in French 11 Oct 79 p 44 LD

[Unattributed report: "PCF Intellectuals Delegation Not Received at Czechoslovak Embassy in Paris"]

[Text] A delegation of French communist intellectuals, who wanted to present a petition already signed by 162 of them against the forthcoming political trials in Prague, at the Czechoslovak Embassy Wednesday 10 October, were refused entry.

The building in Charles-Floquet Avenue was carefully guarded by police and a courteous official told the delegation, preventing it from approaching, that Mr Litecky (the second secretary) had asked him to say that the delegation would not be received and could send a document through the post, and so forth.

There were 11 people there: three lawyers, Maitres Jacob, Rappaport and Yakovlev; and Messrs Gerard Belloin, journalist, Gerard Chouhan and Paul Seban, television producers, Antoine Spire, who was formerly head of EDITIONS SOCIALES, Claude Frioux, president of Vincennes University, Michel Renard, activist of the Union of Communist Students; the philosopher Jean Elleinstein; the historian Andre Gisselbrecht; and M. Axelrod, a doctor.

CSO: 3100

POLITICAL CONTROVERSY OVER EUROPEAN ARMAMENTS REVIEWED

Paris LE MONDE in French 13 Sep 79 p 8

/Text/ Simone Veil, president of the Assembly of the European Community, justified on Tuesday 11 September the decision—which was made the evening before in Paris—of the enlarged committee of this assembly to put on the agenda of the next session the oral question of a British Conservative deputy and of a German deputy concerning Europe's weapons industry policies (LE MONDE 12 September).

She specified, on Tuesday 11 September, that it was to be a debate on "industrial policies relating to weapons, and not a debate on European defense policies." She added that there was "on the latter subject no compromise to be made, since a large majority had emerged within the assembly's committee concerning this question."

In an interview with the FIGARO on 12 September, Mrs Veil laid stress on the fact that "the president must be the president of the entire Parliament. It would not be in keeping with the president's role and obligations to be the spokesman of a political or national tendency. His authority will be all the greater to the extent that he maintains during the course of the debates the required impartiality."

Mrs Veil pointed out that only the French communists and the RPR were opposed to inscription of this question on the agenda.

On this occasion, the president sharply criticized the behavior of certain French deputies, saying: "Their attitudes are catastrophic for France, because they prevent the French people from being informed by not telling them about the Parliament's work. If it is normal that everyone state his opinion, it is not normal, once a majority has been found, to call on the carpet those who accept the law of the majority. The Parliament cannot function if democratic rules are not observed. I am sorry that erroneous positions on a certain number of questions are presented, in France, for partisan purposes. This guerrilla warfare is all the more harmful in that it affects the operation of the Parliament less than the image of France. Our partners do not understand why the French do not accept the working of democratic rules."

Moreover, how can one help but deplore the fact that the French attack the presidency all the more under pretext that it is in French hands. Yesterday, the communists were extremely discourteous to the Greek president, simply as a means of attacking the French presidency, and thereby orchestrating a campaign of domestic politics.* I am disappointed at the attitude of certain French groups.

Michel Debre (RPR) sent a new telegram to Mrs Veil telling her he was "thunderstruck;" that he considered the inscription of this question to be illegal; and he requested permission to participate in the debate which will begin 25 September in Strasburg.

The LETTER OF THE NATION, party organ of the RPR, wrote Wednesday, 12 September under the pen of Pierre Charpy: "Perhaps a parallel may be drawn between these events and the wave of more or less controlled information on the increasing imbalance of forces in Europe between East and West. There assuredly exists the desire to bring France, by one expedient or another, and perhaps justifiably by the industrial expedient, back into an intergrated European defense.

The president of the French Republic has stated, time and again, his refusal of such an hypothesis. But ambiguities persist, such as these in the passage of the government report on carrying out the law of military programmation: "The construction of Europe, the pursuit of which constitutes an essential objective for France, continues to ignore questions of defense. Nevertheless, France contributes, by its own defense effort, to security in Europe, and it is not oblivious to the fact that its own security fits into this FRAMEWORK."

Gustave Ansart, deputy to the European Assembly, Politburo member of the PCF, stated, on Tuesday 11 September in Paris: "Under the presidency of Simone Veil, at the request of the friends of M Lecanuët, Mrs Thatcher and Herr Strauss, a new offensive has been undertaken to disposses our country of its national defense, without which there is no real independence. The European Assembly has become a privileged spot for this offensive, in which the reactionnaires of the nine member countries are going to join their efforts. They want to constructure their Europe by decomposing France. We will not let them get away with it."

*During a meeting of the committee, on Tuesday morning, Mrs Demarch reproached Mrs Veil with having invited Dimitrios Papaspirou, president of the Greek Chamber of Deputies, to attend the meeting in order to organize relations between the Greek Parliament and the European Assembly within the framework of the Treaty of Association. The communist deputy remarked that France had not ratified the Treaty of Association, that forces in our country were opposed to this agreement and that the presence of the Greek parliamentary president constituted a measure of interference and pressure. Finally, it was decided that delegations of European Assembly committees and the Greek parliament would hold regular meetings.

For her part, Mrs Danielle Demarch, vice president of the European Assembly, member of the Central Committee of the PCF, stated, on Tuesday evening over Channel 2: "We explained at length, during the European election campaign, that all French political groups, except our party, were attempting to camouflage their wish to see the European Assembly's powers increased to the detriment of the French Parliament. This is now perfectly clear: it was indeed true, since one of the first acts of Mr Lecanuet, Mrs Thatcher and Herr Strauss has been to bring, by the hypocritical expedient of weapons procurement, defense questions before the European Assembly." Mrs Demarch emphasized that these questions "are and must remain under the sole jurisdiction of the French Parliament."

Louis Odru, communist deputy from Seine-Saint-Denis, sent to the prime minister, on Tuesday, a written question in which he affirms that: "scarcely 3 months" after the election of the European Assembly "the French Government reveals its intention, which it hid from the French people during the electoral campaign, to carry our country farther along the road to supranationality."

The government, Odru adds, snaps its fingers at the declarations, which today turn out to be untrue, of the president of the French Republic which affirm that the French Government would be opposed to any increase in the powers of the European Assembly at the expense of the French Parliament." The deputy continued: "The common weapons procurement programs, just as the programs of weapon standardization or interoperability, are nothing more than the first step toward the sabotage of any authentically national defense." Odru asks the prime minister "to state with all urgency whether, yes or no, he intends to abide by the Treaty of Rome by having the question concerning "common programs for weapons procurement" struck from the agenda of the European Assembly."

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CSO: 3100

FRANCOIS-PONCET ASSURES DEBRE ON DEFENSE POLICY

Paris LE MONDE in French 18 Sep 79 p 20

[Text] "The French Government remains as determined as ever to maintain the independence of the defense of France," Jean Francois-Poncet, minister of Foreign Affairs, emphasized in his answer to a written question from Michel Debre (RPR), published in the OFFICIAL JOURNAL of Saturday 15 September.

The deputy of the reunion was worried about the debate in the various information media on military Europe and statement emanating from the European Assembly.

"The remarks of French deputies to the European Assembly," the minister indicated, "obviously do not bind the French Government and in no way affect the continuity of government policy. After all, defense and security matters do not fall within the jurisdiction of the Strasbourg Assembly."

With regard to that portion of Debre's question relating to American remarks on a "reorganization of European defense based on French development," Francois-Poncet considers that everything, on the contrary, gives one to believe that the American Government has not budged from the attitude it adopted in 19 June 1974 when it signed the Ottawa Declaration which recognizes "the distinctive deterrent role" of France's strategic national forces as a contribution to the overall reinforcement of the alliance's deterrence." "These different signs," the minister concludes, "cannot but help reassure the honorable parliamentarian of the absolute continuity of French policy."

For his part, speaking about Franco-German cooperation on Sunday, 16 September at the celebration of the Communist Federation of the Hautes-Pyrenees in Tarbes, Gaston Plissonnier, member of the Politburo of the PCF, declared that "the West German presence is becoming more and more arrogant in France. They are attempting," he said, "to apply the model of Bonn in different spheres, including education, with sinister professional prohibitions. Finally, this Germany, whose economic and monetary power has again become enormous, has fielded the strongest conventional army of all Western Europe. If it were to be equipped with atomic weapons, world security and world peace would be seriously threatened."

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CSO: 3100

COMMENTARY ON CGT SECRETARY GENERAL SEGUY'S SPEECH

Excerpts, Commentary

Paris LE FIGARO in French 16 Sep 79 p 8

[Report on CGT Secretary General Georges Seguy's 15 September speech at a CGT rally in the Place de la Republique, Paris]

[Text] This is only a beginning. Let us continue to fight." With this watchword, somewhat reminiscent of 1968, Georges Seguy concluded his half-hour speech in which he constantly vaunted the merits of the CGT [General Confederation of Labor] strategy. In so doing, he showed that the CGT is firmly determined to conduct by itself alone, or with other labor unions, an offensive against "the social 'beatings' being inflicted upon workers by the trio of Giscard d'Estaing, Ceyrac, and Barre."

It was a traditional stocktaking speech in which the CGT's secretary general surveyed all of his organizations concerns and prospects at this start of the new business season. The CGT leader overlooked nothing in his remarks as he painted a dark picture of a "disastrous policy that spares none of the victims of austerity, except private firms, and among them the large multinational companies, the privileged rich, and the parasites that hover around the caste in power."

Thus not only our youth, women, retired persons, and immigrant workers, but also our technicians and supervisory personnel, are all being sorely tried with respect to employment, equal rights, or the hope of playing a meaningful role in the country's economic life.

In plain language, this policy is "a policy of social regression" that expresses itself by "a violent attack against the purchasing power of wages and retirement income, against social rights acquired a long time ago, and against our Social Security system, all of this accompanied by a renewed outbreak of violations of labor union rights and out-and-out manipulation of the principal information and news media."

While the overall results of this policy are disastrous, Georges Seguy, unlike the employers, refuses to place the blame for this on the French people. He blames it on the "cynicism" of a government and employers "who are not content to act so brutally but also attempt to shift the blame for their dirty tricks on the victims thereof...."

"If prices skyrocket, it is because housewives do not know how to shop. If the Social Security system shows a deficit, it is because persons covered by social security are using too many drugs and medicines and are abusing sick leave privileges by imaginary illnesses. If factories are shut down or sold to foreigners, it is because the French worker wants to earn as much as possible and work as little as possible...."

Rejects Policy of Surrender

Thus confronted with the image of the Frenchman depicted "as an unscrupulous, perverse, 'goldbricking,' and individualistic" person, Georges Seguy outlined a nationalist counteroffensive accusing the government and the CNPF [National Council of French Employers] of being "the silent accomplices of those who are cornering our commodities, crushing our industrial capacity, and pushing France into the ranks of the second-class nations."

Georges Seguy then urged the working class to oppose the "policy of surrender," stating that "whatever France still retains of its grandeur and authority in the world, it owes primarily to its working class."

Attacking "the right" means also recalling the "CGT's vigilance and determination." Georges Seguy applied himself to this task by recalling that it was "by reacting in July towards the attack on the Social Security system, and on 7 August at the height of the attack, by vigorously denouncing it, that the CGT hastened the post-summer vacation season resumption of militant labor-union activity, made the conflict between workers and the government-employers coalition a leading issue of the day, and thwarted the strategy of surprise attack."

This social reaction stimulated "a combativity that only those labor unions cut off from the masses did not display." Seguy then returned to one of his favorite themes: "Our CFDT [French Democratic Confederation of Labor] comrades have sharply criticized us for going it alone. All they had to do was come along with us. And we would like to fraternally point out to them that we still have not heard the slightest word or seen the slightest sign from them which might let us assume that they would have sincerely desired to share with us the responsibility for taking militant action as early as the first week in September."

The CGT's spokesman then asked the following question: "Under these circumstances, what could we do? Remain at 'order arms' against the offensive, while waiting for our elusive labor-union partners to show their willingness to join us, or else—after having noted the obstacles raised against united

action--assume responsibility ourselves for militant action and thereby enable the widespread and bitter dissatisfaction of the workers to express itself from the very first day after the summer vacation season." The CGT chose the latter course of action.

Georges Seguy admitted he personally felt the CGT had made the right decision. And as a result, "the plans of the government and the employers have been foiled" and Raymond Barre has been forced to say there "is a need for new social relations."

Unity of Action

Nevertheless the CGT does not claim "exclusivity over militant action and its results." Hence Seguy reiterated his "unfailing attachment to unity of action."

"We proposed that this consultation and coordination be held among the five labor organizations without waiting until the end of August. Our CPDT comrades preferred a prior meeting between the two of us, and such a meeting will be held. It must be clearly understood, however, that this bilateral meeting cannot culminate in unilateral decisions for the other labor organizations. Moreover, we offhandedly reject the idea that unity of action in support of common objectives related to demands--of which there are plenty--should be subordinate to settlement of the existing differences between the CGT and CPDT on a certain number of problems associated with labor union orientation and strategy."

Georges Seguy was thus careful not to close any doors to possible discussion, but "when the aggression is so violent, priority must not be given to talking about our differences but rather to taking common action in defense of the workers' interests."

The CGT-CPDT meeting will also have to be followed by a meeting of five, indeed even six labor unions. This consultation-coordination has a dual objective. First, it could provide a common labor union answer to the prime minister's letter, in such a way that there remains no ambiguity whatsoever about the labor organizations' categorical refusal to endorse his policy of austerity which is generally antisocial. Secondly, it would enable us to determine a type of unified action by all workers that would halt the aggression by the government and employers, stimulate the struggle at all levels and in all forms, and facilitate the opening of negotiations necessary to the solution of the principal social problems, notably those relating to purchasing power, low wages, the SMIC [Interoccupational Minimum Growth Wage], employment, reduction of the workweek to 35 hours, and Social Security."

Labor unions, other than the CGT, must, therefore, stop dodging the issue. As for the CGT, it "will not let the government and employer offensive go unchallenged. As a group of five, or four, or three, or even all alone, if necessary, we will take up the challenge."

While the CGT's secretary general stressed the necessity of the "union of popular forces" as a complement to this labor-organization unity, he did add that "it is out of the question for us to subordinate daily militant labor union action, the defense of immediate interests, and the occupational demands of workers, to the elimination of obstacles that subsist on the road to this union."

Georges Seguy has thus called upon labor unions to fight a battle that, quite obviously, is meant to enable the CGT to swell its ranks, and also to show this strength at the coming labor conciliation board elections.

Analysis of Speech

Paris LE FIGARO in French 16 Sep 78 p 8

[Commentary by Andre Gillet: "Sure of Himself"]

[Text] Sure of himself and of his influence. That is how Georges Seguy appeared as he spoke to an assembly of a few thousand CGT members yesterday at the Place de la Republique in Paris. The small audience did not seem to indicate a great response to the CGT's appeal, but the secretary general's tone and remarks clearly showed that the solitary operation organized by the CGT headquarters had achieved its objective.

Seguy was indeed successful. By being the first to launch the social offensive of the post-summer vacation season, he succeeded in putting his partners into an irresistible spiral. This operation's first victim was Edmond Maire who, confronted with the positions taken by the CGT's secretary general, had to somewhat quickly formulate a strategy to satisfy those members worried about "recentering" and impressed by the CGT's "big show." Maire, therefore, publicly announced he wanted to have a meeting with the CGT that would make it possible to organize unified strikes based on specific demands and in given sectors.

Georges Seguy condescendingly replied that his organization would meet with the CFDT "because the comrades wanted it." But he immediately specified that this meeting could not culminate in "unilateral decisions for the other labor organizations."

In other words, Seguy had put his "privileged ally" back into the group of labor federations he definitely knows are still reluctant to create a common front whose bridgehead would be a labor union largely under the influence of the French Communist Party (PCF), a party whose principles of independence

Georges Seguy defended yesterday with even more enthusiasm than Georges Marchais. "Whatever France still retains of its grandeur and influence in the world, it owes primarily to its working class." In other words, to the CGT and PCF.

Both Edmond Maire and Andre Bergeron will have an opportunity to reply to Georges Seguy today: Maire in a public address in Rouen and Bergeron as a guest on Antenne 2 [TV station]. Their statements are awaited with great interest. Although there is no doubt about the position of secretary general [Bergeron] of the FO [Workers Force], the position of secretary general [Maire] of the CFDT still remains ambiguous. Georges Seguy has scored the first point in his shoot-out with Maire, but the match has only just begun.

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CSO: 3100

FO LEADER RULES OUT JOINT ACTION WITH CGT

Paris LE FIGARO in French 16 Sep 79 p 8

[Article: "Bergeron Rules Out Any Joint Action With the CGT"]

[Text] Secretary General Andre Bergeron of the Force Ouvriere (FO) [Workers Force] reiterated, in two interviews published in yesterday's L'AUREOLE and LE MATIN, that his organization has never questioned the reality of the economic crisis but is worried about the increasing difficulties in negotiations with the government.

"I am not saying," he explained in L'AUREOLE, "that we are moving toward a May 1968 style situation, but if all the negotiations were to fail, it is obvious that we would move toward a necessarily dangerous, uncontrollable situation." He does not believe in the "effectiveness of collective inter-trade demonstrations." He stated that "effective action must be taken at the point where the problems arise, in other words, at branch levels within the framework of collective bargaining agreements." Although he does rule out any common action with the CGT, he does, however, leave the door open to common ground with the CFDT: "We shall discuss this, if necessary, in our statutory bodies."

In his LE MATIN interview, Bergeron indicated that while the FO does acknowledge the merits of decontrolling industrial prices, "it is a different case with retail prices. What worries us is the part played by distribution channels. This is the direction in which the FO intends to act on a priority basis."

The secretary general also said "the people at the bottom of the economic ladder should be permitted to live decently within the setting the current way of life imposes upon us.... There is an incompressible part to human needs and it is absolutely necessary for our society to satisfy that part."

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CSO: 3100

AUVERGNE NUCLEAR PLANT CONSTRUCTION QUESTIONED

Paris LE MONDE in French 18 Sep 79 p 41

[Article by Jean-Pierre Rouger]

[Text] Having already been opened with respect to the mining of uranium deposits, the nuclear debate is going to broaden in Auvergne after the vote of the Economic and Social Committee, on Saturday, 15 September, requesting that a site be sought for the construction of a nuclear plant in the region.

The regional council is to come to a decision at the end of the month on Auvergne's candidature. In the Economic and Social Committee, only the CFDT voted against the measure, the CGT having abstained. The president of the CES, Michel Debatise, declared: "We have uranium. We would be able, with a nuclear plant, to use it on the site, and the region could then benefit from the economic, as well as industrial and agricultural fallout from its presence."

It is true that Auvergne has uranium. The presence of this metal in the earth of the Massif Central has been known for lustra and if economic conditions before 1974 limited the mining to the highest grade ore of the Limousin, the increase in need and the rise in price have given renewed interest to lower grade ores and more limited deposits.

Thus the deposits of Saint-Pierre-du-Cantal (Cantal) were reopened for mining in 1977 with a rate of production of 100 tons of uranium metal a day for a presently foreseeable period of 8 years. The deposits of the Coulangerie, at Theneuille, in Allier, were opened for mining by COGEMA this year. Their rate of production is around 140 tons of uranium metal per year, good for a period of at least 10 years.

Many prospecting permits have been issued, moreover, in Allier and in the Puy-de-Dome.

The first wave of protest appeared with respect to a prospecting permit for Prompsat. In August, 1979 ecologists, banded together in the Association for the Study and Defense of the Environment (AEDELEC), distributed a good many tracts, especially targetted on those taking the cure at the health resort of Chatelguyon, whose water is recommended for intestinal ailments.

"Will you be cured or radioactive tomorrow?" the signers of the tract had written, emphasizing that the region of Chatelguyon is only 4 Km from Prompsat. They emphasized also, with maps to support their argument, that the prospecting permit included a zone which covered Chatelguyon (and Volvic as well).

For these associations, two consequences are likely with respect to Chatelguyon's water if the tests are positive: the opening of mines will modify both the seepage and drainage of the water. Chatelguyon is situated downstream from the zone in question and the manipulation of uranium ore will bring about radioactive concentrations.

Having been alerted by alarmed patients taking the cure, Dr Ravel, the mayor of Chatelguyon, immediately had a writ served on the association for fraudulent advertizing and the dissemination of false news. The court of Riom, in rendering its decision on 10 September dismissed the mayor of Chatelguyon's suit and condemned him to pay all costs.

In Prompsat itself, the inhabitants, who number a little over 300, sent a petition to the president of the republic requesting the annulment of the prospecting permit. The municipal council took the same position.

The regional prefecture maintains, for its part, in an official statement, that "the prospecting permit granted COGEMA permits only drilling operations which can have no influence on the flow and quality of surface or subterranean water, and, in the event of the discovery of workable deposits, the explorer will have to apply for two additional authorizations." "The deep source of Chatelguyon's mineral water protects it from surface pollution, outside the zone of direct emergence." In conclusion the prefecture indicates that "the evacuation of water from underground and surface mines can be very simple decantation and precipitation methods meet the standards set for drinking water and thus insure a radioactive content much lower than that of many mineral waters, including those of Chatelguyon." The debate has been opened.

9330

CSO: 3100

REVIEW OF PCF POLICY, ATTITUDES TOWARD IMMIGRANT WORK FORCE

Paris FRANCE NOUVELLE in French 8-14 Sep 79 pp 13-15

[Article by Dorothee Vion: "No Longer To Be Treated Like Slaves"]

[Text] They are the first attacks made by the government and management on the immigrant workers, but with the two Bonnet-Stoleru bills, the attacks have reached an unprecedented level. These bills would worsen the situation of the immigrants and their families (a situation already most precarious), and perfect a legislative, administrative, police and legal system already designed for blackmail, arbitrariness and repression. They would directly affect several hundred thousand immigrant workers, particularly the Algerians and Africans, whose entry permits are about to expire. Specifically, the government and management want to make administrative internment official, as it already exists with the secret prisons such as in Arenc, where one can lock up immigrant workers in the most arbitrary manner possible and expel them without possibility of appeal. When this is combined with the blackmail threat of nonrenewal of the certificate of registration, what is left of France, a land of refuge?

Using the economic crisis affecting our country as an excuse, they want to use the immigrant workers in our country as scapegoats, claiming that their presence is one of the causes of unemployment in our country.

And yet, in an official report¹ presented in 1977, Anicet Le Pors (now a member of the Central Committee of the PCF and a senator), it was shown that not only are the immigrant workers not responsible for unemployment in our country, but that one could not, without running a serious risk of upsetting production, drive out large numbers of those employed in key sectors such as the iron and steel industry, the automobile factories and construction. Not only would this measure not free more jobs for nationals, but it would further worsen unemployment. Furthermore, in the Federal Republic of Germany, where in 1975 the Social Democratic government expelled 500,000 immigrant workers, it brought in 250,000 the same year and there are still over a million unemployed persons.

What is the reason for government and management's grudge against them when they are a structural part of capitalist production? Resorting to immigration

in order to bring pressure on the work force as a whole by means of a group that is scarcely politicized, not acquainted with trade unionism and not part of any struggle tradition, and in order to avoid costly investments has always been big capital's aim.

But these immigrant workers are no longer the same. Little by little, they have gained awareness of their own identity and of the need to fight. Despite all the pressures, one sees more and more immigrant workers in strikes, demonstrations and delegations. They no longer want to be treated like slaves. They have fought and are still fighting in the iron and steel industry at Renault, in the underground railway yards in Marseille, at the RER [expansion unknown] in Paris, at Dumesnil, Pampryl, with the street sweepers, at Fos, and so on. Contrary to what many people think, the percentage belonging to trade unions is the same as that of the French working class. Their struggles are directed at Barre's austerity plan. By attacking them, the government and management are trying to hit the most vulnerable part of the French working class. Nor is the main body of workers in our country spared. Barre has already told the French that henceforth, if they want work, they will have to circulate. Since big capital cannot do without this labor force, what it wants is for it to have to move around in order to prevent it from gaining the time it needs to organize and gain experience in struggles, in order to prevent the formation of ties with other workers. Bills concerning European integration are constructed along these lines with the principle of the extension of the mobility of Greek, Spanish and Portuguese workers in all European countries, in addition to the Italians and other migrant workers. It was in the Federal Republic of Germany, in the Social Democratic government (where immigrant workers are not allowed to stay for over 5 years), that Jose Stigl, president of the Federal Labor Office in Nuremberg, said that a system of rotating foreign labor must be instituted. This means driving our part of the immigrant work force which has gained experience in the struggles and replacing it by fresh workers that are easier to exploit, easier to use in bringing pressure on the others.

PCF and Immigrant Workers

The PCF has drawn up a democratic code for immigrant workers, presented in the form of an outline law filed with the National Assembly on 27 June 1979 (the PCF had already introduced other bills). What is the reason for a code? Pierre Agudo, an aide to the Central Committee of the PCF, explains: "This term, far from confining the immigrant workers, making them outsiders, isolating them, is, on the contrary, aimed at responding in the most complete manner possible to all the problems that exist. For communists, immigration is not a fatal, unavoidable phenomenon. It is the result of the unequal development of capitalist societies. It is not normal for millions of men and women to be driven from country to country in order to survive. That is the reason why communists favor halting immigration. With the crisis, this demand takes on more meaning: Why import and export poverty? Nonetheless, solutions do exist and a modern nation such as our own owes it to itself, if it is to have a good policy in keeping with the interests of its

own people and its own workers, to respond, especially since through their work, these immigrant workers have contributed and are still contributing to national development."

This democratic code is a precise, concrete response of the PCF to the policy of the government, which, when it speaks about a code for immigrant workers, puts together a whole arsenal of repressive and arbitrary measures. The PCF's proposed code (9 chapters, 66 articles) contains a certain number of precise proposals concerning freedoms, reception, housing, family and children's rights and the structures and organizations that should be set up in order to meet the needs of the immigrant workers. It is impossible to mention everything, but with respect to freedoms, for example, communists believe that immigrant workers should enjoy all the freedoms that workers in our country have or should have: the right to work, decent wages, equal wages with nationals, social rights, and so on. Do our people know that the immigrant workers do not enjoy equal Social Security rights and family allocations? Immigrant workers should be able to circulate freely throughout the country. Do people know that when one houses an immigrant in one's home, one is forced to notify the police or risk being prosecuted? Do they know that a certain number of communes quite simply prohibit immigrant workers from living on their territory (and these are not only the rightist communes; those run by the Socialist Party often behave in the same manner), in contrast with the communes that have communist elected officials, where the percentage of the population made up of immigrants is very high? While there are no immigrant workers at Nogent, Neuilly and Le Perreux, they make up 28 percent of the population at Gennevilliers, 24 percent at Nanterre, 22 percent at Levallois, 20 percent at Champigny and 18 percent at Villejuif. This policy of concentration in ghettos contributes to the development of racism. The proposed code asks that communes displaying this type of racist behavior be punished in keeping with the 1972 law.²

"People must be made to see that inequality is the weapon of diversion. The objective of the code is to do away with this inequality," says Ferhat Belkacem. "The immigrant workers must be treated fairly and by being fair with them, one takes away management's weapon of division. It can no longer be used to exploit the immigrant workers and even the French workers more. The code makes it possible for them to combine their interests. When one realizes that the wage of the immigrant workers is 17.4 percent lower than that of the French workers, one realizes how easy it is for management to maneuver both groups."

"The idea that also helped to guide the drafting of this code," adds Pierre Agudo, "is that it is not just a series of proposals that would never be applied, but on the contrary, they will be helpful to the immigrant workers, won over to the ideas of the PCF, as an objective, so that they may fight for equal rights and also for respect for their identity, the national personality of each and every one. The PCI believes that the immigrant workers are an integral part of the French working class (11 percent of the active population and 20 percent of the working class), but that at the

same time, they are attached to their country and their culture.... The proper conditions must be created in order to make it possible for them to return." The government's policy is not aimed in this direction at all; on the contrary. A day never passes without some act of violence against the immigrant workers. Not one week goes by without police intervention to expel the residents of the SONACOTRA [expansion unknown] or ADEF [expansion unknown] dormitories who are demonstrating because they are charged too much for unsanitary housing.

The government and management wash their hands of the responsibility for housing for the immigrants (the same is true of housing for French workers). It was decided a year ago to reduce management aid to housing by one-half. Moreover, in the fight over decent housing, they knowingly make the situation worse by making it impossible to find acceptable solutions and by suddenly and violently resorting to legal action, as in the case of Thionville, Garges-les-Gonesses, Dijon. On 4 July, a delegation from the residents' committee from the SONACOTRA dormitory on Rue Henri-Barbusse in Gennevilliers went to the headquarters of that organization in Paris, accompanied by representatives of the CGT [General Confederation of Labor], the PCF and communist officials. An agreement had been signed and SONACOTRA not only did not respect its commitments, but it went so far as to incite workers living in the dormitories not to pay the monthly fee in order to avoid having to take back the ones it had kicked out. SONACOTRA confirmed this to the delegation. This type of behavior toward dormitory residents can also be explained by the desire to selectively get rid of part of the immigrant workers.

Immigrants in the PCF

There are 20,000 immigrant workers in the PCF. It is the only political party that has taken in so many. Moreover, its history is linked to that of all migrations. When it was formed in 1920, was the immigrant Ho Chi Minh not in its ranks? In the PCF, the immigrant workers have the same rights and duties as any member. At the 23d Congress, in order to take their specific problems better into account, the language groups were set up. These groups include the members of the PCF of the same nationality who discuss and act on the specific problems but also on the general policy of the PCF. This organization can even become a cell.

Ferhat Belkacem: "The PCF publishes newspapers in seven languages for immigrant workers and this year at the HUMANITE festival, there will be seven immigration stands. Immigrant workers have a full role in the fight against the policy of the government and management and in the PCF, their problems must be taken into account along with all other political tasks. The place of immigrant workers in the party must be on a par with what the immigration policy has become today: one of the major areas of the objectives of redeployment. It is normal for the PCF, in addition to its objectives of justice and solidarity, to make a major issue of it, which one finds in its activity as part and parcel of its struggle against the government's policy. There is progress with 25,000 members and the creation of a few language groups, but this is not enough. At Peugeot, for example, where management has

enormous means, there is a newspaper (JIP) in several languages and cadres are paid to inform and train immigrant workers. If the PCF has set up real language groups, it is necessary to see that management already has them.

"Furthermore, not all communists have understood that work in the PCF concerning the immigrant workers does not only involve the aspect of solidarity, but is one of the principal axes of our policy."

Pierre Agudo: "In an enterprise in which 40 to 50 percent of the workers are immigrants, it is inconceivable that the activity of the PCF should not be based on their participation, their membership and an intimate knowledge of the specific characteristics of each immigrant group, of what is going on in each of these countries, in order to be better able to speak with workers and fight against the government and management. The existence of language groups is indispensable."

Ferhat Belkacem: "It is in the enterprises that one can win over the political awareness of the workers and the immigrants are part of the working class! They make up 20 percent nationally, but in certain enterprises, 20, 40 and even 80 percent. If priority is given to the enterprises and if one believes that the immigrant workers are part of the working class, how is it possible not to grant them all the necessary attention? The PCF has a policy in keeping with their interests, in keeping with all the immigrant groups, taking the individuality of each one into account. There are immigrant members who can explain this policy to their fellow countrymen. Furthermore, in advancing revolutionary ideas among immigrant workers, one must realize that this also has repercussions far beyond our borders, that it is of importance for the workers in those countries also."

Pierre Agudo: "The question of the achievement of unity among the rank and file in enterprises where there are immigrant workers means a struggle for equal rights with respect to wages, working conditions. It involves the interests of immigrant workers and French workers as well. When success is obtained in enterprises by immigrant workers when they make up 40 or 60 percent of the labor force, it encourages the struggle and success of French workers."

"It is also in the enterprises that one sees the difference with the policy of the Socialist Party, which is against family grouping, equal rights with respect to family allocations, and against automatic renewal of the certificate of registration. On this question also, despite demagogical statements on voting rights for immigrant workers in municipal elections,³ it lines up with the policy of the government."

The immigration population has for decades been a part of the socioeconomic structures of France. It has been and continues to be useful to national development, which endows it with rights. It is closely linked with even the most dramatic episodes of its history. Some 6 to 8 million French people have immigrant workers among their closest ancestors.

French society is made up of several races and several cultures.

Is France then a "nation of human rights," a "place of refuge"? Not for the Giscard, Barres, Chiracs, or for big capital, which thumbs its nose at nations and men.

The PCF has a completely different concept of relations between men, peoples and nations.⁴

FOOTNOTES

1. Anicet Le Pors, "Immigration et Developpement Economique et Social," Documentation Francaise, 1976. "Du Racolage au Redeploiement," CAHIERS DU COMMUNISME, August-September 1979.
2. In order to prevent immigrant workers from living in a commune, it is enough to reject the construction of dormitories, either CONACOTRA or ADEF, within commune territory or, through the HLM [Low-cost Housing Program] offices, to discard applications from immigrant families.
3. The PCF believes that respect for the national identity of each immigrant worker also means respect for his citizenship and that he must be helped to exercise his citizen's rights in his own country. For those choosing French nationality, the code proposes that naturalization be made easier and that it lead, with no administrative obstacles (which is not the case), to the right to vote.
4. Editions Sociales, Jean Colpin and the 43: "Les Communistes a l'Entreprise." Andre Vieuquet: "Travailleurs Francais et Immigres, le Combat du PCF." FRANCE NOUVELLE, 2 Apr 1979, No 1742: "Le PCF et l'Immigration." 23d Congress. CAHIERS DU COMMUNISME, Jun-Jul 1979, p 36, part of speech by Georges Marchais: "Pour un Nouvel Ordre International," speech by Georges Marchais, 16 May 1979, Mexico.

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CSO: 3100

ARMORED DEMIBRIGADE TO BE ORGANIZED

Paris LE MONDE in French 15 Sep 79 p 12

[Text] France will increase, next year, its external military intervention capacity, with the creation, in August, 1980, of an armored, motorized demibrigade especially marked for contingent overseas operations. Constituted principally of two combat units and their support and command elements, this demibrigade, stationed for the most part in Frejus (Var), is to comprize about 2,500 men.

It was Gen Jean Lagarde, army chief of staff, who confirmed, to trainees at the War College in Paris, the creation of this unit which has been under consideration for several months (LE MONDE of 29 April and 20 May 1978). General Lagarde specified, on Thursday 13 September, that the existence of this armored corps should make it possible for French intervention units to meet the constant amelioration in armored and artillery components of forces in the world. The studies of the general staffs had demonstrated the interest such a formula would present with a view to intervention less in Africa than in the entire Mediteranean basin.

Baptized the "31st demibrigade" in memory of a French army unit of the 19th Century, this force will be composed, in addition to the usual support and command elements, of a motorized regiment equippped with forward armored vehicles (FAV), about 900-man strong, and with AMX 10 wheeled light armored vehicles, complemented by a battery of 155 artillery. This latter regiment is to group 1,200 men.

General Lagarde specified that this demibrigade would constitute "a unit of great strategic mobility," which is still lacking in the French intervention forces.

This armored, motorized unit will complete the disposition recently recast (LE MONDE 8 June), made up from the 11th paratroop division. Under the command of a brigadier general, an "airborne group" of three regiments of professional paratroopers (roughly 5,000 men) has, in fact, been formed.

KKE LEADER FLORAKIS INTERVIEWED ON OPENING TO USSR

Athens AKROPOLIS in Greek 14 Oct 79 pp 5, 15 AT

[Interview with Kh. Florakis, KKE secretary general, by E. A. Papageorgiou, on KKE views regarding Karamanlis' policy to advance Greece's relations with the USSR and other socialist countries—date and place not given]

[Text] [First question] In your opinion does Prime Minister K. Karamanlis' visit to Moscow constitute a new dimension in Greek foreign policy?

[Second question] Do you consider the Greek prime minister's initiatives correct?

[Third question] If you consider it correct, how do you believe that it benefits the country?

[Answer] Undoubtedly, the prime minister's trip to the Soviet Union and to the other socialist countries constitutes something new in Greece's foreign policy and is beneficial to it. For this reason, we have supported Karamanlis' initiative. The question arises as to why the New Democracy government made this positive turn and how does this benefit the country.

First, we see the trip in the light of the policy of peaceful coexistence of states with different social regimes. This is a policy which constitutes the only alternative solution to the danger of thermonuclear extermination for the maintenance of peace. No country which currently wishes to have a realistic foreign policy can ignore the reality of the socialist countries and not be interested in the development of friendly relations with them.

However, Greece has additional and specific reasons for being interested in relations with the socialist countries and the Soviet Union. It is their neighbor; it lies on a sensitive area; it is enduring pressures and extortions; and it is very much interested in the preservation of peace.

Moreover, our country's economic situation is difficult, while the capitalist world internationally is passing through a deep crisis. Greece needs markets for its products, needs technology, profitable investments for our country and also raw materials for energy at good and just conditions to relieve and develop its national economy. The Soviet Union and in general the socialist countries can, to a great extent, guarantee these things on the basis of equality and mutual benefit. This is proven by the agreements with the USSR for commercial exchanges, for the alumina plant, for electricity, oil and natural gas.

In addition, in view of the deadlock into which the Atlantic policy is leading Greece, in view of the unacceptable pressures of the Americans and NATO, and in view of their demands for concessions on our national issues, the development of relations with the Soviet Union offers Greece substantive countersupports. The Soviet Union's positions, which are included in the Greek-Soviet joint communique, on the issues of peace in the area, on Cyprus and the Aegean, if correctly utilized by the Greek Government and if corresponding initiatives are taken, can facilitate a peaceful way out for our national issues that will be nationally beneficial.

Undoubtedly, New Democracy and the prime minister will try to utilize the trip to Moscow for narrow party interests, knowing that the development of relations with the Soviet Union satisfies a long-standing demand of the Greek people and their progressive forces. However, regardless of this, it concerns a positive step that corresponds to our country's national and economic interests. For this reason, it is the duty of anti-imperialist democratic forces to support it and struggle for its stabilization, utilization and expansion. It should not escape our notice that some circles, which want Greece to continue a policy of blind obedience to the Americans and NATO, want to undermine or restrain this step. It seems that in addition to the U.S.-dominated extreme rightist elements, there are other circles too--some of them inside New Democracy--who seek to downgrade the trip and blunt this "new dimension" of foreign policy, as you described it

[Editor's note] Florakis did not answer the fourth question which asked that he express his views on how Karamanlis' initiative to go to Moscow could harm the country, obviously because he considered it self-evident that only benefits could result from the prime minister's step.

[Fifth question] What other foreign policy maneuvers do you believe the government should have undertaken?

[Answer] We believe that the issue is not merely some maneuvers or dealings within the framework of the policy of "we belong to the West." The country needs another national independent policy which New Democracy cannot guarantee because it is a prisoner of its Atlanticism. It is for this policy that democratic anti-imperialist forces are struggling. In any case, now we are discussing what the government should do and even more what the

people demand of it. First, the government should not retreat in view of the pressures and extortions of the Americans and NATO but it should stabilize and expand its "opening" to the socialist countries. It should contribute to the internationalization of the Cyprus issue, to its disengagement from the NATO framework and support all efforts of the Cyprus Government for the convening of an international conference for the Cyprus issue within the UN framework.

The government should also seek a solution to Greek-Turkish differences in the Aegean, outside the NATO cogwheels, through peaceful negotiations within the framework of international legality. In this case, the contribution of the USSR and of all pacifist countries can prove to be substantial.

It is strange that the government accepts the fact that NATO positions on the Aegean issue are damaging for our country and encouraging to Ankara's chauvinists, yet "strives" to bring Greece back to the military wing of NATO which makes it prey to blackmail by the NATO people. That is, more or less, the government seeks to return us to NATO so that we may confront whom? NATO? Therefore, it concerns, to say the least, a strange and contradictory position which, as you can see, leads these critical issues to stagnation and deadlock.

This is why we claim that, before anything else, the decision for the withdrawal from the military wing of NATO, as the prime minister declared 5 years ago and then reneged, must become "final and irrevocable."

However, currently every democrat and patriot, regardless of party affiliation, wonders how can one reconcile the fact that the government is seeking good relations with the socialist countries and at the same time maintaining foreign military bases with nuclear weapons against them on our soil? Why since we accept that there is no "danger from the north" do we remain in an allegedly defensive alliance which in fact damages our national interests? Why do we allow provocative NATO exercises against the socialist countries to be held on our soil and in our waters? Why do we allow the broadcasting from our country of the anti-Soviet propaganda of the VOA?

These questions occupy the overwhelming majority of our people, even conservative citizens. They strengthen the popular unity of all those people who in addition to their specific party beliefs demand a truly multidimensional foreign policy for our country. Specifically, at this time, we believe that the government should make a positive gesture. It must respond to the latest USSR initiative for the reduction of military forces in Europe and must denounce every effort to install in Europe new nuclear missiles as the United States has announced.

[Sixth question] Can Karamanlis' multidimensional foreign policy take Greece away from the West?

[Answer] I do not know what you mean with the phrase "can take Greece away from the West." If by "taking away" you mean that Greece should stop following blindly the policy of the Americans and the NATO imperialists and stop obeying their instructions, of course this not only "can" but is presupposed by a truly multidimensional foreign policy. However, a truly multidimensional foreign policy is not compatible with the well-known government doctrine of "we belong to the West."

In this sense, we dispute the idea that the government policy is truly multidimensional. It is a fact that the government's positive openings to the socialist countries do not exceed the framework of its Atlantic policy even though they encounter reaction from its "allies" in NATO who want Greece to always be "a hooked fish." Of course, these openings offer new possibilities for the defense of national interests and peace, confrontation of NATO pressures and expand the government's freedom of movement in its foreign policy, but they do not cancel out the "we belong to the West."

At this point, we must clarify something. The point is not, as some people distort it, that Greece must choose between NATO and the Warsaw Pact, but must contribute to their obsolescence by withdrawing from NATO and implementing a policy of peace and equal cooperation with all countries. Only thus will the declaration for a "multidimensional foreign policy" acquire substantial meaning.

[Seventh question] In your opinion, what can Greece expect from a close friendship with the Soviet Union?

[Answer] We can say that there is a huge field for Greek-Soviet cooperation and friendship in current circumstances. There can exist a more advanced technical and economic interstate cooperation that will contribute substantively to our economic development. A "close friendship" on the basis of equality can contribute to the protection of peace in our critical area and more generally in the Mediterranean and Europe. As we have said, there can be joint initiatives in our critical national issues. Because the current government expresses monopolistic interests and is bound by its "alliances" and the EEC, it, of course, cannot and it does not want to utilize all existing possibilities for developing mutually beneficial relations with the socialist countries. On the contrary, with a different, essentially democratic government that would implement a policy of national independence, democratization, restriction of the unaccountability of the monopolies and democratic planning for the people's benefit, all possibilities for cooperation with the socialist countries would be utilized to the maximum.

[Eighth question] Is it indispensable to create countersupports for our national issues in view of the current situation?

[Answer] Undoubtedly yes. I would say not only now must we create countersupports, but we should have done so years ago. Our party has been saying

this. This need has now become obvious to almost all Greeks. This is because events have happened and things are taking place like pressures, extortions and demands by our alleged allies which nobody can accept except a handful of Greek-speaking organs. In any case, the fact that overtures are being made to the socialist countries and countersupports created helps us to resist NATO extortions and the provocations of the Turkish chauvinists. It facilitates the internationalization and confrontation of these national problems. However, the creation of countersupports, regardless of how positive it may be, has necessarily limited effectiveness as long as the government's Atlantic policy continues.

CSO: 4908

COLLUSION ALLEGED BETWEEN KARAMANLIS, PAPANDREOU

Athens ELEVTEROS KOSMOS in Greek 14 Oct 79 p 1 AT

[Editorial: "Karamanlis and Papandreou Will Share Power"]

[Text] The official opposition Pasok will go down in our parliamentary history as the only opposition that deliberately avoided submitting to the chamber even one motion of censure against the government. Despite its rhetorical pyrotechnics and rigamarole about "structural opposition," it did not use its most important constitution right. Not unjustifiably, public opinion has the impression of collusion between the leader of New Democracy and the chairman of Pasok. A. Papandreou did not even study the dossier on Greek-Turkish talks on the Aegean.

The suspicion of collusion was enhanced by recent statements by the Pasok chairman. He, himself, said that the prime minister's trip to Moscow and the other eastern countries which have suffered so much has a "presidential dimension." In reply to a question by the press as to what Pasok will do in case K. Karamanlis contests the presidency of the republic, he said: "Pasok has not yet dealt with the question." First of all, the issue of Tsatsos' succession is already on the political and constitutional agenda because his term of office will end only 6 months from now (while A. Papandreou is already preparing his party ticket for the next parliamentary elections). Secondly, it is supposed that this "party of principles," since its opportunistic establishment 5 years ago, should have already come to a negative decision on our political personalities, especially on the leader of New Democracy.

Furthermore, during the discussion on the constitution in 1975, A. Papandreou stressed that the constitution's relevant articles on the supreme ruler had been made to Karamanlis' specifications and that they guaranteed extensive powers to the man who wanted to use them. The president will be the country's substantive ruler. According to Mavros, at present K. Karamanlis has both the powers of a prime minister and a president. In the future, from May onwards, if Karamanlis becomes president (with 260 votes as predicted by the crypto-Karamanlis and belatedly DEMOCRATIC MORNING newspaper) he will also have the power of a prime minister. Consequently, a possible attempt by A. Papandreou to send Karamanlis to

the presidency and thus excuse him from direct involvement in the country's government does not stand to reason. He has proven it himself.

A game is being played behind the people's backs. Is "this sharing of the state's supreme offices between K. Karamanlis and A. Papandreu without the people's knowledge opportunism and political amorality? Has it been agreed upon, as most people believe, or is it under final negotiation, as other people believe? The leader of New Democracy will be relying on the votes of the right which he reduced to 41 percent and the leader of Pasok will be relying on the votes which through socialist slogans he increased to 25 percent to proceed to the birth of a political monstrosity. We know of no more characteristic instance of falsification of the democratic parliamentary regime. Certainly, the pairing of K. Karamanlis' party, which ranges from "radical liberalism to democratic socialism," with the national-socialist, Marxist and anything else you want "movement" or A. Papandreu augurs nothing good for the country.

CSO: 4908

JUNTA NETWORK REPORTEDLY UNMASKED

Athens I VRADYNI in Greek 15 Oct 79 pp 1, 14 AT

[Article by G. Trangas]

[Text] Over the past few months a broad network for transmittal of instructions to groups of "hard" junta followers was organized from Korydallos Prison by the April protagonists. Their goal was to coordinate and mobilize "cadres" of people sharing their views in order to perpetrate undermining activities--as revealed by I VRADYNI day before yesterday--but also for the purpose of "unifying" extremist elements and groups which have recently appeared dispersed.

However, the moves of the plotters and the dissemination of instructions from within Korydallos Prison were noticed in time by the intelligence services which acted with speed and accuracy.

Specifically:

1--The central intelligence service discovered the "liaisons" of the network and the final "recipients" or instructions from the contents of notes;

2--Leading personalities of the central intelligence service learned of and placed under continual surveillance the activities of extremist groups to whom these instructions were directed. At the same time there was a leak of information from junta circles to the service. Chief of the central intelligence service P. Kalamakis continuously briefed authoritative personalities on the progress of investigations;

3--At the same time there were reports from overseas on an escape plan of a group of junta followers. Naturally such a plan was not easy to implement because of very strict security measures in force at the prison. In any case the reports about "Brother Dertilits," according to I VRADYNI information, are unfounded. The authorities, however, also took these reports seriously into consideration.

Their Correspondence Decreased

The efforts by junta followers to organize the network commenced about 6 months ago. At that time Ladas and certain others who were held in regional prisons asked to be transferred to Athens for serious "family reasons." As events proved, they considered their concentration at Korydallos Prison imperative so that the network for dissemination of information to their various groups could function. Their transfer was finally achieved. Originally the guards in their wing "caught" certain conversations dealing with the movements of extremist elements. At the same time a decrease in their correspondence was noticed. All these facts were passed on by the central intelligence service in its report to the minister of public order and to the minister of justice. The latter ordered increased vigilance. There were repeated meetings at the central intelligence service and at the national security service during which instructions were issued to watch the entire case as well as for the transfer of certain junta followers to "maximum security" prisons.

Ladas' Daughter

The incident which occurred last Thursday involving Ladas' daughter sped up the process of removing certain junta followers from Korydallos Prison. On the same day with a very urgent secret document Public Order Minister Balkos reported the latest intelligence service reports to Justice Minister Stamatis. The latter immediately instructed the prosecutor to order the transfer of 6 incarcerated junta followers.

Their transfer was accomplished on Friday under a strong guard and strict secrecy. Apart from Ladas, Rentzepis and Tetrados who were transferred to Kerkyra Prison, 3 more, Spanos, Tsakas and Karamberis were also transferred to regional prisons. Anastasios Spanos, Ioannidis' top thug in the Greek military police was hastily transferred to Volos Prison and two others were transferred to the Navplion Judicial Prison. These prisons were issued with strict orders for their guarding. At the same time searches were conducted over the weekend in the cells of the Korydallos inmates.

Authoritative Statements

The revelations of I VRADYNI last Saturday about the movements of junta followers within Korydallos Prison were confirmed by the deputy minister to the prime minister, Tsaldaris, while by contrast Balkos limited himself to the characteristic statement about "rumors and nothing more." No source, however, ever denied the report that on Friday evening there was a long meeting of authoritative officials on the question of the movements by junta followers.

Yesterday Justice Minister Stamatis made the following statement: "It was wrong that such an extent was given to a transfer of certain prisoners

because this is one of the customary measures taken from time to time for maximum security reasons."

It was noted from many sources yesterday that there was an attempt to diminish the entire issue and particularly of the elements which reveal that there was a broad network of plotters who received instructions from inside Kordallos Prison. Luckily this network was discovered and destroyed in time. [signed] G. Trangas.

CSO: 4908

GOVERNMENT REPLIES TO TURKISH STATEMENT ON NEORION

Athens ELEVTEROS KOSMOS in Greek 12 Oct 79 p 1 AT

[Text] Yesterday, Turkey suddenly raised an issue regarding the Greek-Soviet agreement for the repair of auxiliary ships of the Soviet Navy in the shipyards of Neorion, Syros. More specifically, Turkey's Foreign Minister Okcun made the following statement in London to the Turkish newspaper CUMHURİYET.

"The Greek-Soviet agreement for the maintenance and repair of Soviet ships may possibly influence Greek-Turkish relations. The Aegean has always been a political problem between Greece and Turkey. With the agreements of Lausanne, Montreux and Paris, the two countries had agreed on a political balance in the Aegean area. However, Greece's recent initiative will one way or another influence relations between the two countries."

"In addition to this" the Turkish foreign minister added, "this rapprochement constitutes a development which Turkey cannot accept."

Last evening, the Greek Government reacted to the above statement of the Turkish foreign minister with the following statement by the government spokesman:

"The linking of a private commercial agreement with the treaties of Lausanne, Montreux and Paris and the political balance in the Aegean lacks seriousness. In any case, it should be recalled that for a number of years, Turkey has been making contractual settlements, joint statements and other activities for a rapprochement with the Soviet Union and Greece has not objected because it believes that the creation of a better atmosphere among all the countries of the West and the East constitutes a useful element for international detente. Consequently, it is inconceivable for Turkey to state that it cannot accept the situation the Greek-Soviet rapprochement has created. Such an intervention in the independent formulation of our foreign policy is so unacceptable that one wonders whether the Turkish foreign minister did, in fact, propound such an absurd position."

It is expected that the issue which has been created will have further developments. It is noted that as soon as the affair of the Neorion agreement became known, the EEC, NATO and the United States expressed uneasiness. As the government spokesman has stated, other countries have also asked clarification from the Greek Government.

'NEA POREIA': AVEROF CONCLUDES THERE IS NO DANGER TO DEMOCRACY

Athens NEA POREIA in Greek 14 Oct 79 p 6 AT

[Interview with Evangelos Averof, national defense minister, by NEA POREIA in answer to "Burning Questions"—date and place not given]

[Excerpts] [Question] We will start with two issues which although much discussed still remain of great interest, the first only to certain disbelievers and the second to all the Greeks. The first question is: Is there any danger to democracy as a result of some possible foolhardy action by the armed forces? Every now and again we hear some noises and some are concerned. To place the question in a different manner: Is there any remnant of the junta spirit within the armed forces and, if so, to what degree?

[Answer] Those who are truly concerned, I am sure, are very few in number. Those who are deliberately concerned are, I am sure, more in number, or even many. It is the fashion to be "anti-junta" in spirit and to even appear as continuing resistance to it. The first group is of interest to me and they are the justified reason for your question. This first group is concerned because they hear of something which is real and they relate it, naturally, to the sad events of the 7-year period. Some of them inform me personally of what they hear, without furor, without advertising it, so that I can investigate and take the necessary steps. Because I have in mind a quite recent example, related to an important opposition personality, I take the opportunity to thank them publicly.

This, however, is the essence which, at the same time, is an answer to your question: There are over 25,000 officers and lieutenants in the armed forces. Any of these who served during the 7-year period were subjected to an intensive as well as twisted indoctrination. Most of them and I stress, most of them, either did not accept it right from the start or they soon rejected it or they realized after the change in the political regime that the dictatorship was a multifaceted shame which led the country to calamity. After the change in the political regime all supporters of the dictatorship or those who were considered unrepentant were removed from active duty in one way or the other. It is likely that for reasons

of security certain good officers who were not unrepentant were also dismissed from the service. In this way the armed forces have been purged. They do not include persons dangerous to the democracy and the entire officer corps in all three branches of the service are dedicated to their duty.

By stating this, however, I must hasten to add that it would be naive to believe that this applies in an absolute way. It would be illogical to maintain that no traces have been left from the brainwashing conducted during the 7-year period among these 25,000 officers or that a minimal number of unrepentants have not been left behind. These are men who know very well how to conceal their totalitarian ideas. Would you like me to state that they represent one percent? This means 250 persons. It is impossible for them to act. This is because they are dispersed throughout the Greek territory and because they find themselves within an environment which in no way tolerates totalitarian games.

Every now and again, however, these persons either undertake some action, as for example tossing a hand grenade against some bookshop, or they create some "noise" by speaking in support of the 7-year period. On being heard, their words create a sensation, they create concern, they create, in good faith, the suspicion that the junta spirit still prevails within the armed forces. In this sense it still exists. It is, however, insignificant, it is not dangerous even. Everyone knows that after the slightest report, after the slightest hint, an administrative investigation under oath is immediately ordered. According to the results of this investigation sanction follows. Often these sanctions have resulted in a council investigation under the request for dismissal.

I believe that such a "purge" is sufficient. I can thus state with conviction that from the point of view of beliefs the armed forces are extremely healthy.

[Question] With what you have said you virtually admit that there must be at least 250 officers who adhere to the "junta spirit." Why do you not dismiss them?

[Answer] I would be very grateful to you if you could point them out to me so that I could dismiss them immediately. Any of them who may still exist, no matter what their numbers may be, adhere to the "junta spirit" in their own minds. This is where I find things difficult.

[Question] The second question has to do with the armed forces ability to guarantee the country's defense. Do they guarantee it?

[Answer] The country's defense is something complicated which also becomes difficult because of special geographic factors. There are over 1,000 kilometers of land frontier and many, around 20, exposed islands. This is a titanic task. First of all, therefore, we must all bear this in mind.

Second, I can responsibly state that never before has our country's military strength and consequently its defense potential, been so strong. This is not exclusively due to armaments undertaken under the continual surveillance of Karamanlis himself. It is greatly due to the beliefs, morale and discipline of the armed forces, to the continual improvement in organization, to maintenance of equipment and to excellent training. All this must be particularly stressed because without it the best of armaments mean nothing.

The third observation I want to make is this: I believe that as things are today if we have to defend ourselves against only one adversary the armed forces are in a position to guarantee the integrity of Greece. If we bear in mind the adverse geographic factors then this is quite an achievement. This is an achievement we owe to all those who serve in the armed forces irrespective of rank.

If these men are to be in a position to do this, particularly due to the adverse conditions that most of them have to live with, they need calm and devotion. This is why I am glad when the people express their devotion and I am sad and concerned whenever I see unjustified or sly insinuations expressed against the armed forces.

CSO: 4908

'ESTIA' CRITICIZES U.S. POLICY TOWARD GREECE

Athens ESTIA in Greek 13 Oct 79 p 1 AT

[Article from "World" column: "Blind Obstinacy"]

[Text] The brazen Turkish intervention in the issue of the Greek-Soviet agreement regarding Neorion of Syros does not constitute simply "an unacceptable intervention in the independent formulation of our foreign policy," as the Greek government spokesman replied to the insolent statement of the Turkish foreign minister, since it would be naive to believe that in declaring the unacceptability of this agreement Okcun was expressing the exclusive views of Ankara's rulers who thus appear to be rejecting Soviet presence in the Aegean which they themselves have repeatedly sought since 1965 by making concessions to Moscow that obviously violated both the treaty of Montreux and their allied obligations to the West.

Consequently, the reasons for Turkey's impertinence must be sought elsewhere. Naturally, it is to be found in the corridors of the U.S. Pentagon and Brussels where the leaders of the Western alliance, by adhering to their blind obstinacy, incite Ankara to undertake the role of a "gendarme," something that will be disastrous for the interests of the alliance. Can one say that the U.S. has not already paid dearly for its erroneous policy? After the resolution that was adopted in Lisbon in 1969 regarding the reorganization of the entire NATO defense system and after playing games on the map, the "metternichs" of Washington decided that the interests of the West in the areas of the Eastern Mediterranean Basin and the Near East could be guaranteed only through the establishment of three basic poles: Israel, Turkey and Iran, around which NATO strategy could be formulated in complete disregard of the sovereign rights of neighboring states, even though it might concern alliance members. On the basis of this cold "logic," the shah's tyrannical regime was strengthened in every possible way, Cyprus was partitioned, Lebanon was dismembered and the Aegean was proscribed. However, what were the results of the operation for the instigators of the ingenious plan? Iran was completely lost for the West, unlimited chauvinism reversed the achievements of the Israeli nation's courage with the result that the Palestine problem--the touchstone of

the Middle East problem--is now boomeranging, threatening to collapse the rotten edifice of the Camp David agreements. As regards Cyprus and the Aegean, the shameless collusion between Washington and Ankara at the expense of Hellenism has elevated the USSR to the position of a regulating factor which daily is reaping increasingly greater benefits without giving anything substantial in return.

However, despite the obvious bankruptcy of such "metternich" plans, the U.S. military leaders have failed to place their feet firmly on the ground and realize the disastrous course on which their obstinacy is leading them. Instead of demanding to forestall, as at least in the case of their ally Greece, worse things, they incite the Turks even more to undertake aggressive initiatives. However, it is painful to kick at thorns. If the Pentagon "cowboys" cannot understand this, their European allies, who have bitter experience of where blind obstinacy leads, should make it clear to them.

CSO: 4908

'I KATHIMERINI' ANALYZES REASONS BEHIND OKCUN STATEMENT

Athens I KATHIMERINI in Greek 14 Oct 79 p 9 AT

[Editorial: "Naturally, Discontent"]

[Text] There is nothing strange in the discontent manifested by Turkish Foreign Minister Okcun regarding the restoration of relations between Greece and the Soviet Union to a level of mutual understanding of the two countries' problems. The Moscow talks have concluded a round of Greek diplomatic initiatives that does not recall anything of the traditional way of formulating Greek foreign policy. It is a change that is evidently different from the "logic" or Greek reaction, the perpetuation of which Turkish diplomacy had been counting on as the indispensable prerequisite for the advancement of its acquisitive and expansionist designs.

Persistently following the path of imperialist diplomacy, Turkish diplomacy could not believe that Greek foreign policy, which was perennially subject to the will of other powers, would someday acquire independence and that this "someday" would coincide with the most critical phase of Ankara's efforts to offset with successes in the diplomatic limelight the ground it is rapidly losing politically, economically and socially, and that its weakening vis-a-vis Greece could cost it even the support of those U.S. and NATO officials who still count on its usefulness.

Ankara, by assuming--it was not alone--that the responsible Greek leadership could never possibly move without the consent of the "foreign factor," expected that at a given hour Greece would make concessions to the pressure that was squeezing it and would accept faits accomplis in Cyprus, concessions on its sovereign rights in the Aegean and a return to the NATO military wing with its "allied record" blemished.

The policy which followed the fall of the dictatorship made useless the Turkish plans. The diplomatic reality in which Turkey now lives is surrounded by suspicion, reduced respect, tiredness from constant demands and even hostility. "Europe" refuses to continue listening to Turkish demands for privileged economic treatment because it is afraid this may

go as far as to raise a demand by Turkey for "accession" to the community, and accession to the community by Turkey would mean for the former the depletion of all community funds into the bottomless pit of the Turkish economy because of partnership obligations.

As long as the Arab world supports the Palestinian demand for a national homeland and as long as it insists on the return of the lands that Israel has occupied, it is not possible for it to support a country that has arbitrarily occupied foreign lands (Cyprus lands). That would mean that the Arab world recognized the possibility of settling the Palestinian problem and the Arab-Israeli dispute without the evacuation of the occupied territories.

The occupation of almost half of Cyprus gives birth to the same hostility toward Turkey by the nonaligned. This position of the nonaligned carries with it the attitude of socialist countries. For the next 3 years the president of the movement will be Fidel Castro. Since the Cuban leader is being advanced by the USSR as the most suitable successor to Marshal Tito as the head of the movement, he would not be acceptable to a large number of member countries which are suffering from the arbitrary interventions of the "strong" unless he were to express himself against interventions and attempts to consolidate them.

The same Eastern countries and especially the USSR logically cannot appease Ankara regarding Cyprus and the Aegean because that would mean the voluntary abandonment of a means of pressure for Turkey not to cede to the Americans the right to install nuclear weapons and spy planes on its borders with the USSR.

The final and most bothersome "opponent" of Turkish diplomacy is the country's internal situation. Until now (the first 6 months of 1979), inflation has been running at the rate of 100 percent. The rate for political crimes has been running at the same pace. The Ecevit government is being attacked inside and outside the party. "Defections" by ministers are accompanied by the party's mistrust of its leader regarding the policy he has followed so far. There are reports from Ankara that of those elected by the organizations of the Popular Party as candidates in today's elections for deputies and senators, few were Ecevit's friends. Most of them were "leftists."

Regardless of what government--political or military--succeeds Ecevit, the indifferent to hostile surroundings of the country will not change. All these things do not mean that the settlement of the Cyprus problem and the "retraction" of Turkish designs against Greece are being advanced. They mean, however, the weakening of Turkish hopes that the rapacity of a teetering establishment will be satisfied and are the basis for Okcun's discontent.

SOCIALISTS' VOW TO LEAVE COALITION MEANS FALL ELECTIONS

Reykjavik MORGUNBLADID in Icelandic 6 Oct 79 pp 1, 48

[Text] The Althing members of the Social Democratic Party agreed at a meeting yesterday, by 11 votes to 2, to ask the leadership of the Social Democratic Party to withdraw its ministers from the government and to propose that the Althing be dissolved and new elections held. According to the information MORGUNBLADID obtained yesterday evening, Minister Magnus H. Magnusson and party Althing whip Haukur Helgason voted against the Social Democratic Party leaving the coalition, and Finnur Torfi Stefansson abstained. The leaders of the Social Democratic Party meet on Monday. "I'll wait and see; I don't want to comment on recent events," Prime Minister Olafur Johannesson said when MORGUNBLADID spoke to him yesterday. "You never can tell," said the prime minister after MORGUNBLADID asked him if he had known this beforehand. "But this is not final until tentatively on Tuesday." A government meeting will be held on Tuesday.

According to the information MORGUNBLADID obtained yesterday, Althing member Gunnlaugur Stefansson proposed the idea at a meeting of party Althing members recently that the Althing party agree to the dissolution of the government. This idea was later discussed at several meetings and at the meeting yesterday. Benedikt Grondal, the leader of the Social Democratic Party, voiced a proposal on the matter that was passed, as mentioned above, by 11 votes to 2. Two members of the Althing party, Arni Gunnarsson and Karl Steinar Gudnason were absent. The editor of ALTHYDUBLADID, Jon Baldvin Hannibalsson, has a voting sent at the meetings.

Headed for the Status Quo

MORGUNBLADID spoke to Benedikt Grondal after the meeting yesterday and asked him first about the reasons for the agreement.

He said: "This agreement was first of all made because the results of the coalition did not turn out well, especially the fight against inflation."

"We think that the ideas and the proposals of the Social Democratic Party got little response in the government and that we are now headed for a similar situation as we had last year: constant temporary solutions that are not real solutions at all. And we don't want to participate in it again. We have been able to pursue only a fraction of our ideas on economic policies and the battle against inflation. That is the point."

No Other Choice

MORGUNBLADID asked Benedikt Grondal why the Althing members of the Social Democratic Party chose to do this now, to which he replied: "It is clear that the onset of a new assembly is the beginning of a new political era. Members of the Althing usually visit their districts from the end of the summer until the assembly begins. After our Althing members had been to their districts and spoken to their followers, they came up with the almost unanimous opinion that this is the only choice."

The Shuffle Is for the Best

Then MORGUNBLADID asked Benedikt Grondal how he felt about the Social Democratic Party's position bearing in mind the elections. "I am always optimistic in politics," Grondal said. "On the other hand, we got very unexpected results in the last elections, which makes it difficult to forecast how the next ones will be. It is not easy for us to realize what consequences have arisen because the government has not achieved the goals we had hoped for. In spite of that, we Althing members of the Social Democratic Party are optimistic and we think it is best for the country to shuffle the deck and to bring economic matters under control."

Finally, MORGUNBLADID asked Grondal whether the ministers of the Social Democratic Party had indicated that such an agreement was to be expected now. "We have had quite a few meetings within the Althing party and discussed this thoroughly," Grondal said, adding "I am not sure if this comes as a surprise to people. It is clear, however, that we were not satisfied with our position for the last couple of months."

Elections in the Fall

"The government did not resign until it was expected to," Geir Hallgrímsson, the leader of the Independence Party, said in a conversation with MORGUNBLADID yesterday evening, when it became clear that the Althing members of the Social Democratic Party had decided to break away from the coalition.

"We, the members of the Independence Party, predicted, without making any forecasts, that it could not last much longer when its promises and the policy of its backers were taken into account."

"The comments of the Social Democratic Party's members cannot be relied upon more than usual. They have made pro forma declarations and set certain deadlines. Thus they have kept themselves afloat within the government for more than a year. Finally, they seem to realize the mess they're in and are running away from a sinking ship."

"These events do not change the attitude of the Independence Party that it is necessary to give the people the opportunity to make their own judgment in elections. We have maintained this attitude after giving the government ample time to work for the first couple of months."

"The illusions and the empty election rhetoric of the political parties will be judged. The people in the country must be given the opportunity to form a secure majority in the Althing, so that we can reverse the trend that the government is responsible for. We in the Independence Party stress that elections must be held as soon as possible in the fall," said the leader of the Independence Party.

Disagreement on All Government Policies

"This administration has not been able to agree on any of the main policies for governing the country. It has not been able to come to grips with economic matters, runaway inflation and financial legislation, which is the absolute minimum requirement for governing the country, and it has not been able to agree on the economic program that was supposed to be submitted according to election promises," said the leader of the Social Democratic Party, Benedikt Grondal, at a national conference of the Alliance of the Social Democratic Party Women yesterday evening, when he announced the breakup of the leftwing government.

"The Social Democratic Party and the People's Alliance do not support the economic proposal that was to be submitted by the finance minister himself. It called for an increase in the personal income tax of many billion kronur. A document on the economic program exists, but one of the government parties is opposed to it and therefore, it cannot be submitted. And more could be mentioned in the same vein.

"The main point concerning the economic situation is that we have accomplished too little. Inflation has gone up to 50 percent or more and aside from being dangerous to the life of the nation it pulls the economic rug from under firms and from under individuals and the society as a whole.

"We must think things over," he continued, "and be careful with every step we take. We still have a chance to make great progress, which requires a new socialist organization and work."

In the beginning of his speech, Benedikt Grondal said that activity within the Social Democratic Party was lacking. "The structure of the Social Democratic Party crumbled after the party's big victory, and the party was financially drained," said the leader of the Social Democratic Party.

"The performance of this government during its 1-year term has been very disappointing to us and another party as well, and there seems to be political peace of mind only within the party of the prime minister.

"Runaway inflation has caused great disappointment in the country, and we had to ask ourselves if there was any hope that the government would change for the better, or not. But there were no signs that things would be handled the way we wanted. The Althing members of the Social Democratic Party propose that the Althing be dissolved and new elections be held. The decision was made by 11 votes to 2. This request for a Social Democratic Party split with the coalition will be discussed by party leaders next Monday."

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CSO: 3111

MINISTER RIGHT IN URGING LESS RELIANCE ON USSR OIL

Reykjavik MORGUNBLADID in Icelandic 20 Sep 79 p 18

[Editorial: Government's Share in the Price of Oil]

[Text] MORGUNBLADID has often thoroughly discussed the problem that Iceland faces both as a nation and as individuals, as a result of the price of oil products on the world market, and not the least because of our unfavorably priced oil agreements with the USSR. Because of this price differential, we have worse terms of trade in oil products than most countries in Europe. MORGUNBLADID has often demanded a change in this situation, both by seeking more favorable prices in our oil trade with the USSR and by increasing our oil security by not being attached to one trading partner. These assertions by MORGUNBLADID have met with great opposition, especially from the People's Alliance and THJODVILJINN, who, for some reason or other, felt they were being threatened, and also from several individuals with an interest in the matter.

Kjartan Johannesson, the minister of fisheries, has submitted proposals in the government for changes in the arrangements for oil purchases. His proposals call for a non-commitment to one trading partner and for Iceland to participate actively in world oil trade, in order to guarantee the most favorable oil purchases at all times. These proposals came in the wake of a report by the oil trade committee that was delivered to the government last week. The Independence Party has expressed the opinion of the opposition that this report be made public, so that the general public can get information on how things are developing. However, due to the upcoming business discussions in Moscow, people agreed to postpone publication until after the discussions. The submission of the minister's proposal indicates, however, what the report is all about and agrees with the point of view that MORGUNBLADID has maintained in this regard.

But there is another side to oil product pricing that concerns the general consumer in the country no less than the import price of the product. The impact of the government on the price of gasoline, i.e., state taxes, which are on top of the sales prices of the oil companies, run to about 56

percent of the final price. Instead of lowering the tax ratio of the gasoline price when the import price went up, in coordination with estimated budgetary income, and thus, resisting the inflationary effect of the increase and reduced purchasing power, they maintained the tax ratio. The government chose to profit from foreign price developments, which has taken billions from the pockets of the general public into the Treasury, in addition to what the economic plan initially called for. It was natural that the Treasury would guarantee additional income for itself in order to take care of tariff increases that it had to apply because of the increase in the price of imported oil, but that would have been allowed even if the government's tax ratio in the price of gasoline were lowered considerably. Six of each 10 kronur that the general public pays for gasoline for its vehicles goes to the Treasury, and the greed of the left-wing government is making the family car a privilege of the better-off in our society.

The government rode into the cabinet in the fall of 1978 on horses bearing many promises. They promised to get rid of inflation and to protect the purchasing power of general wages. Today, inflation is the dominant feature of the administration, and the value of the Icelandic krona has seldom fallen as rapidly as during the term of the banking minister, the former editor of THJODVILJINN.

Higher taxes, both direct taxes and taxes added to retail prices, such as sales taxes and duties, have cut, not increased, the purchasing power of wages. Wage developments have been controlled by one-sided law enforcement, as if the task of unions was only to listen and obey.

Political parties quarrel about the prices of farm products, but yet they are responsible for them. They quarrel about an interest policy, but yet they are responsible for it, especially the government party that is in charge of banking: the People's Alliance. The government parties are also responsible for state expenditures and greatly increased taxation, which are major causes of inflation. The attitude of the government, both towards the purchasing power of wages and price developments is, however, best exemplified by the pricing of oil products. Of the 15,000 kronur needed to fill the tank of the family car, about 8,400 go to the state. The Soviet Union is trying its best to get the most from us, by charging an excessive price for oil. But the government "of the working classes," as it calls itself, takes a much larger portion from the general public in sales taxes. It is high time that this stops.

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POLICE SCUFFLE WITH PROTESTORS OF NATO SHIP VISITS

Reykjavik MORGUNBLAÐID in Icelandic 20 Sep 79 p 20

[Text] There were several scuffles between police and those attending the outdoor meeting of the Alliance of Air Base Opponents that was held late yesterday afternoon at Sundahofn, where two NATO warships, the Karlsruhe and the Nipigon, were lying at anchor.

According to Chief of Police Bjarka Eliassonar, between 100 and 200 persons attended the advertised meeting of the Alliance of Air Base Opponents, and 45 minutes into the meeting, people started shouting to the ships "Iceland out of NATO—No More Air Base." People then tried to reach the ships as they were lying at anchor, but the harbor had been fenced off a short distance from them. Scuffles then broke out between police and the protestors when they attempted to throw paint on the ships, which was prevented by the law officers. They had to use their clubs to hold the people back and detained a number of the protest leaders. The group then broke up, and order was restored by about 1930 hours, after some 30 minutes of scuffling.

Some of the protestors had brought cod heads on sticks, and one was holding a fake horse's head. In connection with the charge against the police that they did not have authorization to remove the horse head that had been placed on the pole the day before yesterday, Eliasson said that it was tactless for the state media to so criticize the police without consulting them first. He said that this had been done in response to a legitimate complaint from Sigurdur Olafsson, who owns the land on which the pole was placed, and the police considered it their duty to attend to such complaints, as there was little of esthetic beauty about a rotten horse's head, which was not very pleasing for other horses to look at.

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PERTINI INTERVIEW IN 'DIE WELT'

Bonn DIE WELT in German 18 Sep 79 p 5

[Interview with Sandro Pertini by Friedrich Meichsner: "If Rome Were Divided, I Would Fight To Unify It"]

[Text] An 83 Year-Old Revered by Young People.

Italian President Sandro Pertini arrives today on a 5-day visit to Bonn. In his own country there is no more popular political figure today than he. Even while still active as a Socialist Party politician, he was exceptional because of his humane ways, his strength of character and his non-conformism. As president of the republic, Pertini, a man of almost 83 who belies his age, enjoys the affection and respect above all of the young generation because he is a man who looks ahead to the future.

"Sandro has one weakness. He gives an answer to every question a journalist asks him." With this remark by one of the President's fellow-Socialists in mind, DIE WELT correspondent Friedrich Meichsner entered the baroque hall at the Quirinale Palace where the president awaited him for an interview with high hopes. He was not disappointed.

DIE WELT: Your visit to Germany will be your first visit to a foreign country since you became President.

Pertini: Yes. I am looking forward to it.

DIE WELT: Italy and Germany are two countries with a long common history which, at times, was rather turbulent. Close ties between the two people have led to amicable feelings and mutual respect as well as to animosities. What, in your opinion, are the opportunities and dangers in Italo-German relations today?

Pertini: It is true--in fact I will say so in my first speech in Bonn--that there are ties of very long standing between Germany and Italy. But, I know what you are referring to--to Nazism and to Fascism in Italy. This has sown discord and caused antagonism, no doubt about it.

But I do want to make one point very plain: We must not link the German people to the things for which Nazism is responsible. That is my conviction. In the same way, the Italian people cannot be made responsible for what Fascism did. This is the spirit in which I am about to go to Germany. And, I believe the antagonisms, if any, have since been overcome. We must not forget one thing: that Germany extended financial aid to us recently. That was a friendly act.

On the other hand, one must not forget that there are some 600,000 Italian emigrants in Germany who by their labor are contributing to a degree to German economic and social progress. This, the German political leaders must not forget.

I hope that my visit will serve to strengthen the ties between Germany and Italy. These ties are necessary. Germany and the German people must know that Italy and its political leaders are fully prepared to strengthen these ties. This will benefit Europe as a whole and the cause of world peace.

DIE WELT: That was a political assessment. Now, to you personally. You lost a brother in a Nazi concentration camp. During the German occupation you yourself were active in the Resistance. What are your personal feelings upon coming to Germany now?

Pertini: You see, my friend, the ways of human destiny are strange. My wife and I--she, too, was a Partisan--were celebrating the Liberation of Milan on 25 April 1945 and on that same day my brother was murdered at Flossenbuerg. I visited Flossenbuerg once before, while I was president of the chamber. Now, I have had a stone memorial put up, in my brother's memory. And I want to go back there to honor his memory. I will make mention of that in the address I will give in Bonn on 18 September. I will say that I do not harbor the slightest resentment against the German people.

My brother was murdered by the Nazis; why should I feel resentful toward the German people? The German people have nothing to do with the cruelties of the Nazis. I would even say: The fact that I know that my brother died in Flossenbuerg and that his ashes are kept there provides one more reason for a spiritual bond between myself and Germany. I am not sure whether I have expressed myself clearly enough.

I shall be going to Flossenbuerg as a private citizen. I do not wish to place the federal president into an embarrassing position by having to accompany me. Why ask him? I am going there as a private citizen to honor my brother's memory. When Strauss was informed of my plans he let me know that he would be at my side and I appreciate that deeply. It is a magnanimous gesture on Strauss' part, one must admit.

DIE WELT: We have already touched on the subject of the hundreds of thousands of Italians working in the FRG. Do you consider this intra-European migration a good or a bad thing?

Pertini: It is obvious, isn't it, that these Italian workers who went to Germany, Switzerland and France were forced to leave because they couldn't find work in Italy. I, too, was a refugee in France and had to work for a living. Believe me, my friend, it is always sad and painful to be away from home and from one's family. That is a matter of sentiment, a matter of emotion. But, from the social and political point of view, the 600,000 Italians living in Germany can serve as a link between Germany and Italy.

DIE WELT: Just like the German tourists in Italy?

Pertini: They even more so. Because the German tourists who come here see the beauty of Italy. They get to know the Italian people. They become aware of the feelings of the Italian people. They come to realize that this people cannot be lumped together with the Italian terrorists; that this people is something entirely different.

But I would add this: Our emigrants who work in Germany and live there for a number of years get to know the German people after all. And, of course, they pass their awareness of the German people on to their relatives in Italy. I hope that the Germans are ready to grasp the situation in which Italians living in Germany find themselves and that they make an effort to help them and to alleviate the pain of being separated from their homeland.

DIE WELT: Mr President, when you took office a year ago you said before the chamber that there can be no freedom without social justice and, equally, no genuine social justice without freedom. You have also been a front-line fighter in the cause of European unity. In a few days you will be visiting Berlin where one can see evidence not only of the division of Germany, but of the division of Europe. Do you think that this division can be overcome under the banner of freedom and social justice?

Pertini: Consider the fact that I am a Socialist, a disciple of Filippo Turati, a man comparable to your own Bebel. This means that socialism for me is synonymous with freedom and social justice. There can be no genuine social justice without freedom. And, conversely, there can be no freedom without social justice. Someone who is unemployed, who is destitute and in economic and financial straits can never enjoy undisturbed freedom. In order to enjoy freedom to the full, a person must be able to live comfortably and not be forced to make constant sacrifices.

But, let me repeat: I have been a Socialist for 60 years. If I were offered the most radical reforms imaginable at the price of freedom, I would refuse them. For me, freedom is a precious and inalienable right. I will say this in Bonn. In the first speech I shall give there, that is what I will stress. Freedom, as far as I am concerned, is a gift mother nature has bestowed upon us. Woe be to those who would suppress freedom! It doesn't matter to me whether they be of the left or of the right--they are my enemies.

You have raised a delicate problem, that of Berlin. Not as president, but as a plain citizen, as a democrat I hope that Berlin can be reunited, that it could become what it once was, a city complete in all its parts and not a truncated and divided city as it is today. If Rome were to be divided tomorrow, I would take up the fight to help reunite it. I am saying this to you not as president of the republic, but as a plain citizen, as a democrat. This is what I wish for you.

DIE WELT: Italy's friends--and there are many in Germany--view with mounting anxiety the continuous government crises in your country, the social tensions, the terrorism. As the constitutional head of government, do you believe that this state of affairs can be overcome and if so, how?

Pertini: We do have frequent government crises, that is true. They are attributable to the differences which exist between the many parties we have. In Germany, there are just two parties, really. Of course, the liberals do play a certain role; but even then there are just three parties which count. We have many parties and, as a consequence, many more contrasting views both inside the parliament and out. The situation in your country is much clearer than in ours. Your constitution contains two very important provisions: Any party receiving less than 5 percent of the total vote shall not be represented in the Bundestag. We, on the other hand, have parties in parliament which obtained only 3 or 4 percent of the vote. And then you have another constitutional provision: the constructive vote of no confidence. As for making changes in our constitution, let others give thought to that; I cannot concern myself with it. We shall see what can be done.

You have also spoken of the many shows of protest. The situation in Italy is serious, more serious than in Germany--in economic and social terms. The situation in your country is better.

You have also raised the question of terrorism. You see, my friend, the plain truth is that three nations which lived through a dictatorship for 30 years or more. Terrorism may well be a consequence of that experience. Under a dictatorship, certain elements of the population may have developed which resort to violence. But why is terrorism in Italy particularly virulent? One must consider Italy's geographic position. Italy is a bridge linking Europe with Africa and the Near East. If this bridge were blown up, Italy would be politically destabilized and Italian democracy would become unhinged.

DIE WELT: But who do you think might want to bring this about?

Pertini: That is the question. I don't know the answer. But, someone is interested in destabilizing Italy, that is certain. Consider the following: France has turned her back on NATO. What if Italy left NATO tomorrow. That would weigh much more heavily. When Vance paid me a visit here I told him: Are you aware of what it would mean to NATO, if Italy were to leave it tomorrow--Italy, this bridge linking Europe with the Near East, with North Africa and with Yugoslavia, too? I don't know, but someone definitely seems to be interested in blowing up this bridge.

But, I would also have you consider this: The Italian people have given a decisive answer to terrorism. After my good friend Moro was murdered here in Rome and Rossa, a working man in Genoa and Alessandrini, a judge in Milan, 200,000 or 300,000 people took to the streets to build a barrier against terrorism and to protest. Let me add a remark, as among friends: when the CDU chairman in Berlin, Lorenz, was abducted, not a single German took to the streets in protest. Not a one.

Foreigners should not look down upon the Italian people with a kind of condescension. The Italian people have their faults, but their virtues, too. To take to the streets and to say "let's build a barrier against terrorism" seems to me to be a positive sign.

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CSO: 3103

COAST GUARD TO BUILD FEWER, LARGER PATROL BOATS

Paris DEFENSE NATIONALE in French Aug-Sep 79 p 172

[Article by Jean Labayle: "Norway: The Coast Guard Corps"]

[Text] The authorities of the Norwegian coast guard (Kystvakt) recently decided to reduce from seven to four the number of the new coast guard cutters which will be built to replace some of the craft now in use in that service. These new boats will however be larger than the units initially planned for construction. Their gross weight will indeed reach 2,900 tons as against 1,850 tons. Propelled by four diesel engines and two variable-rate propellers, their speed will reach some 25 knots an hour. Their armament will include one 57 CA cannon and especially one helicopter. The two initial coast guard cutters of this type have been ordered and should theoretically enter service in 1980. Let us recall that the Norwegian coast guard service was established in 1976 to insure the protection of "offshore" oil installations and surveillance of the 200 nautical mile economic zone. It was formed with units originating from the navy and vessels of the fishing fleet which were purchased or chartered and equipped with light arms. At the present time the Norwegian coast guard is made up of 10 craft ranging from 500 to 1,400 tons. The designation "Kystvakt" is painted in large letters on their hull and they bear a number in the 300-series preceded by the letter "W."

In addition to these craft the service has three U.S.-made P-3 Orion maritime patrol boats and a few helicopters.

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CSO: 3100

SANTIAGO CARRILLO ADDRESSES PCE FESTIVAL

Madrid MUNDO OBRERO SEMANAL in Spanish 4-10 Oct 79 pp 2-6

[Text] It is difficult to tell how many persons attended the 3-day festival of the PCE [Spanish Communist Party] in Madrid, and it is equally difficult to compute the number who attended Santiago Carrillo's final meeting. Various press media have given ridiculously high figures (some said more than one million persons), but in any case the truth of the matter is that neither the amphitheater of the Casa de Campo nor the adjacent streets had room for any more people. On the one hand, the need for diversion (a need to which the PCE devotes great attention), as well as the need to be informed (something that they cannot achieve through the press and television, which are completely controlled by capitalist interests) brought hundreds of thousands of Spaniards to the PCE festival. And Santiago Carrillo clearly explained to them what policies the Spanish Communists have defended this year.

My friends and comrades:

As in past years, the PCE festival is a demonstration of calm political force, of popular culture and at the same time an element of detente, of calm, of serenity in a political climate that needs them badly. It is also a festival of internationalist solidarity in which we Communists and our friends and sympathizers reaffirm our determination to work for the maintenance of peace and international cooperation and in particular our determination to support those peoples under tyranny who are struggling for their freedom and who will ultimately attain that freedom.

Thus today we joyfully salute the victory of a people who last year were very much in our mind, the victory of the Nicaraguan people led by the Sandinist Front. And we hope to celebrate at upcoming festivals another victory that is very close to us, the victory of our friends in the Polisario Front, with whose just struggle we totally identify. I would like to say here to our friend the Minister of Culture of the Democratic Saharan Arab Republic that we will strive to see to it that our government and the United Nations take the necessary measures so that the cause of the self-determination of the people of the Sahara finally becomes a reality and that the people of the

Sahara, who are today suffering from war and the difficult situation that we are all familiar with, can finally attain the freedom to which they are entitled and which they are not enjoying today (it must be said) because of ill-fated Madrid agreements for which our country was also responsible, although not the Spanish people, who condemn and condemned those agreements as a surrender of the Saharan people.

A Serious Crisis In Today's World

The world today is suffering from a serious economic crisis. It is a crisis that affects the totality of the relations established by imperialism after the second world war, a crisis with a revolutionary backdrop, because it reflects the determination of the peoples who have been traditionally exploited by imperialism and colonialism not to continue living in the poverty and the oppression upon which the developed capitalist countries have built their wealth.

This economic crisis is the crisis of a model of society: the capitalist and imperialist society in all its aspects, in culture, in the family, in all of its traditional institutions. We are experiencing a crisis in all of the values that the capitalist world took up as basic.

If the imperialist system had not already been deeply split by the presence of a great many countries that are striving to develop new socialist forms of society and by the countries and states emerging from the so-called Third World, mankind would probably already have known a third world war. But in defiance of the eternal pessimists who say that mankind is not progressing, that we are where we always have been, mankind has progressed, and greatly. Today, nations and their determination to progress carry more weight than in many other periods and influence the policies of their governments. Next year Spain is going to be the site of another session of the European Conference on Cooperation and Peace. I would like to say that cooperation and peace represent a problem not only for governments; they represent a problem that has a direct impact on peoples. Spanish public opinion should rally so that this conference will take effective measures for disarmament, for cooperation to deal with the consequences of the crisis and with phenomena of social disorder such as terrorism, and for strengthening democratic freedoms and the rights of man.

Spain's Destiny Is Shaped At the International Level

Nations must become aware that their interests are increasingly shaped at a level that transcends national boundaries. If we Spanish Communists want our country to become part of Europe and to be active and independent in international politics, without submitting to any policy of military blocs, it is because we are convinced that Spain's destiny, its democratic and socialist future, is not decided solely within our borders, although this sphere is essential, but also on the European and the world level. And it is in this sphere that Spain must be actively present.

In order to further this presence, the Spanish Communist Party is striving to promote activities and initiatives by European Communist parties, and to foster coordination and understanding among European Communist parties, Socialist and Social Democratic parties and all progressive sectors. There is one forum in which we Spaniards are not yet present: the European Parliament. And there is one area in which we hope to be present very soon: the area of unified European labor union action, in which the forces of the Left and of progress must strive to identify with and understand each other.

A Wide-Ranging Left Wing To Build an Independent Europe

We Spanish Communists realize that we must proceed to structure a wide-ranging European Left Wing revolving around the worker parties, a wide-ranging European Left Wing that can offer a reliable alternative for progress and change in the current crisis, that is capable of incorporating and instilling confidence in all progressive social sectors in order to end the traditional domination of the oligarchies and to make Europe a Europe of the peoples, a Europe of the workers, an independent Europe with close-knit ties to the countries of the Third World, with relations of equality and brotherhood with all of them.

In recent days, weeks and months, all sorts of political physicians and even witchdoctors have been examining our country's ills, diagnosing, prescribing remedies and some of them even advocating traumatic operations in the belief that Spain is gravely ill, at the edge of the grave. And some of them feel that democracy is responsible for all of these ills. There is unemployment, there is a crisis, there is terrorism, there is pornography: it is democracy's fault, we know. The fault lies in that we are seemingly a nation of good soldiers in the view of those who do not wish to see that above all we are a nation of citizens. I would like to ask those who blame democracy: Why has there been such a peaceful transition from dictatorship to democracy? Why has it been possible to proceed from dictatorship to democracy even though there were powerful people who did not want democracy? The answer is very simple; the answer is that the dictatorship no longer had solutions for the crisis, no longer had solutions for the threat of ruin that was hanging over our country. The capitalist boom in Europe was over, the boom that took in one million Spanish workers during the time of the dictatorship who had to leave here because there was no work for them. The transition was apparently so easy because the dictatorship could no longer halt terrorism, not even with the death penalty; because the dictatorship no longer had solutions for the crisis of the centralist, bureaucratic and oppressive state, a crisis that was reflected in the demand for national and regional freedoms by each one of the peoples of this country; because the dictatorship had no solution for the establishment of new labor relations in Spain; because the dictatorship had no solutions for the demands of modernization. The dictatorship was leading the country into economic and social chaos.

It is true that the disappearance of the dictatorship coincided with the death of the dictator. However, it is also true that even if the dictator had not died, the dictatorship would have soon fallen, because the dictatorship was no longer a solution, not only for the people but also for the ruling classes in this country.

Those who forget why the dictatorship disappeared so easily, thinking that Spaniards have short memories, are now approaching them again and telling them: Look, this is what democracy is like. And some naive, absent-minded people do not think about what it would mean to this country to return to the famous 1940s; they do not think about what it would mean to fall into the trap again. Candidates posing as saviors appear, and alarming rumors are spread that frighten some more than others. The proof that some are not as frightened as others is that this year the Party's festival in Madrid had at least 150,000 or 160,000 more visitors, which shows that the alarm that a number of people believe in does not exist.

There are those who think that a Somoza would be possible in Spain, even though the United States has had to sacrifice Nicaragua's Somoza. There are those who think that a Pinochet would be possible in Spain, even though by this time when Chile's Pinochet is alone at bed time he must ask himself more than once: Who told me to get involved in this mess?

A Dictatorship Would Be A Catastrophe For Everyone Today

Under today's circumstances, a dictatorship would be a catastrophe for the country, not only for the forces of the Left, not only for the people. There is not a single banker, there is not a single major businessman who feels today that a dictatorship would be the solution to his problems. Therefore, without ceasing to be vigilant, we must not lose our serenity and our confidence in the future of this democratic process. We must not allow ourselves to be intimidated by threats, although at times we understand why some people become irritated.

We can understand why some military men become irritated and indignant, because we too become irritated and indignant when we learn of the death of the military governor in San Sebastian. Call it what you may, this is an ignoble crime that all of us in this country who believe in democracy condemn.

The Police Must Pursue Murderers

We also feel outrage over the murder of the young communist Andres Garcia or of the young man who was murdered the other night in Retiro. But we do not and will not use their corpses for political speculation. Now that our own ranks have been hit by grief, I know that many of our comrades have thought on occasion that we must respond to the murderers in kind. But our sense of political responsibility has prevailed over our irritation and outrage. In a democratic country murderers must be pursued by the police, and if the police is not effective enough, it should be organized better and given better resources. If each group of Spaniards decided to take justice into its own

hands, it would mean a new build-up towards a confrontation among citizens. We already experienced this in the 1930s and we do not want it repeated. We do not want new confrontations; we want freedom, we want democracy.

Those who seek these confrontations know that they will never come to power through the ballot box; when they shout "Power to the Army," they are dreaming that the army will pull the chestnuts out of the fire for them and give them a power that they will never be able to achieve democratically.

There are those who say that political parties and politicians deal with terrorism only by making statements.

What do they want us to do? It is the government that must take measures against terrorism by using the agencies of the state, and our comment is that these agencies are not headed by communists or leftists, because if they were the struggle against terrorism would probably be more effective.

We must say that one of our country's most serious ills at the moment is in fact a crisis of confidence. There is a crisis of confidence, and the crisis is with us because of the way in which the change came about. There has been a reform that has left power in the hands of men who had been trained in the previous regime. Although some have sincerely changed and rendered service to the country, the fact is that in the current administration only one of the people who were in the opposition, even in the most right wing opposition, holds an important post in the institutions of government. This of course makes many people think that the same people are governing and giving orders.

In the field of culture, which must be supported and encouraged at a time of change like the one that our country is going through, because it plays an enormously important roll in sensitizing the people, in the field of culture we have seen pornography emerge and proliferate, but deep down very little has changed, and this has caused the forces of culture to become disillusioned.

The Moncloa pacts, which could have been the beginning of a policy of democratic concentration, of a real change, were not because the government failed to carry them out and even removed the most progressive ministers from their posts. The fact is, the government was frightened by the criticism of the major employers associations and moved further to the right. In recent days in the Cortes we have been discussing an economic program that we have denounced as the program of monopoly capital and the multinationals, as a program that does not take into account the essential problems of the workers and of the poor segments of our country, as a program that overlooked that there were a million or so persons out of jobs in Spain and that this figure was growing every day and could very soon reach two million or more. It is a program that completely overlooks agriculture, a program that does not say a single word about small and medium size businesses, a program that shows us that when the government goes about cutting so-called wasteful expenditures, what it does is to eliminate teaching jobs and leave tens of thousands of children without schools.

The Government Of the UCD [Democratic Center Union] Is Responsible.

It is true that in light of this policy many people in our country are saying: We are always the ones who get the blame. And this, of course, produces these crises of confidence.

Those who longed for democracy are beginning to think this is not what they wanted. Those who did not have democratic feelings have not yet acquired them, and those who are against democracy are rubbing their hands with glee. We have to state that it is the UCD that is primarily responsible for these crises of confidence, that its administration is primarily responsible for this crisis of confidence.

The other day during a debate - in which I would like to add that, within the chamber, we Communists were very much alone and that at one point the leading opposition party (and I say so with all due respect for our socialist comrades) seemed to be the second government party - during that debate the vice president of the government, Abril Martorell, said to us "help us to create confidence." But how? They govern alone, they arrange things and have to live with them, they fail to carry out the negotiated agreements, and they talk about negotiating after they have confronted us with accomplished facts and when there is no longer anything to be negotiated. How are we going to generate confidence in them when we ourselves do not have it and when a policy that tries to apportion sacrifices exclusively the workers and the poor is proposed to us?

Moreover, what have we seen recently from the UCD? We have seen a sort of temptation to lapse into the vulgar anti-communist politics of the past. We seen the press and publicists close to the government beginning to accuse the Communist Party and the Workers Commissions of almost wanting to destabilize our democracy. They have even brought out the old issues of links with Moscow, even though they know that we are independent and that our party is perhaps the only one in this country that receives neither money nor instructions from overseas.

They have permitted a certain newspaper, by equivocally using the strange name of "Reconstituted Communist Party," to convey the impression that we Communists have something to do with terrorism, when everybody knows that it has been the Communist Party that has most directly confronted terrorism, not only here but in the Basque Country itself, where much physical and political courage was needed to do so.

They have also allowed Fraga to slander our comrade, Romero Marin, by accusing him of being the liaison between the terrorists and foreign embassies. The UCD has permitted all of this (I would say has almost encouraged it) even though it has sufficient elements of judgment in its power to realize that this is just another anti-communist infamy.

We Are Not Afraid to Bear the Brunt of the Opposition

Pursuing this anti-communist trend, they wanted to reduce the debate on the economic program to a duel between the government and the Communists. Only when they realized that we Communists are tough and that we were not afraid to bear the brunt of the opposition to the economic program; only when they saw that the Workers Commissions were not being intimidated and were not renouncing a mobilization of the working classes to defend their rights in the face of the government's policy, while not being tempted by the carrot and stick that employers were holding out in front of it in order to isolate it and defeat it by favoring other union organizations; only when they saw the stir that was created in the country last week, which ultimately was not directed only against the communists but against the constitution and against democratic institutions; when they saw that the shouts of the demonstrators from the extreme right were not directed solely against us but against Suarez, and when they realized that ultimately, regardless of the many class differences in this democracy, all of us are sailing on the same ship, perhaps only at that moment did they begin to reflect that this was not the proper path. Thus at the Cortes they passed a number of the proposals of the Communist Party, including the one that boosts public investment, the one that creates the economic and social council and another that rectifies, albeit not completely, the program put forth by the government.

We Will Not Aid Unconstitutional Maneuvers

I would like to say the following to those who have shouted against the UCD; we have serious, indepth differences with the UCD and we are not going to accept the blackmail of its policies just because there are threats behind it. At the same time, however, I must assert that we Communists will not participate in, nor aid by action or omission, a certain maneuver (I do not know where it is being contrived) to remove President Suarez unconstitutionally and substitute some sort of anachronism, some sort of even more right wing figure who would be yet worse for democracy and for the Spanish people.

The Left is Also Responsible

I must also say that the left is responsible as well for this crisis of confidence that exists among wide-ranging sectors of our people. It is responsible because perhaps we did not explain clearly the policy of consensus. In addition, others who were pursuing this policy criticized it publicly at the same time. Perhaps we did not state with sufficient clarity that all of the positive things that have been done during this period have been done through the policy of consensus, with all of the shortcomings that this policy has.

The policy of understanding to resolve certain problems among the democratic forces has been necessary and has made possible a constitution, a statute for Catalonia and the Basque Country, as well as democratic progress.

The Left is also responsible for this lack of confidence because it has not shown sufficient consistency and because a number of its segments have given the impression that they did not understand the country's real situation and the problems of the transition.

Four Months Of Vacation For the PSOE [Spanish Socialist Workers Party]

I would like to congratulate our Socialist comrades that their internal party crisis has finally been solved. This crisis, which many Spaniards still do not understand, is one of the elements that have created this lack of confidence. Why was the PSOE paralyzed for 4 or 5 months, eventually approving an ideological statement favorable to Marxism and electing a leadership very similar to the one that it had before? Why 4 months of vacation?

We were pleased to receive an ideological statement that coincides with our statements in many aspects. We too advocate the creation of a social bloc of democratic forces, of left wing forces, of socialist forces. We too advocate the emergence and creation of this bloc.

In order to create this bloc, first of all the understanding that we have established between Communists and Socialists in city halls must not only be strongly maintained and upheld; it must also be brought into the sphere of union action and into other areas of political action. We feel that the congress of the PSOE has not made this issue sufficiently clear.

The Left Must Have A Strategy.

We feel that under today's conditions it is not a question of formulating a joint left wing program in order to take the reins of government in the immediate future. There must, however, be a left wing strategy to combat unemployment; a left wing strategy to aid the countryside; a left wing strategy to aid small and medium size businesses; a left wing strategy so that public enterprises and public investments are the engine that pulls along investment in general during this period through a working program that will give jobs to hundreds of thousands of workers; a left wing strategy that will not wait for an emergency situation in order to defend democracy, because if what we are now experiencing in a full fledged economic crisis, with what we heard last week, is not an emergency situation, then what can we call an emergency situation?

When a coup and a reactionary revolution have already been attempted, the clause passed at the PSOE's congress enabling it to enter the government will do the PSOE and Spanish democracy absolutely no good.

I think that we have to clear matters up. People say that the Workers Commissions and the Communists want to put pressure on but that they do not want to negotiate and that the General Union of Workers (UGT) wants to negotiate and only puts pressure on if negotiations are impossible. The fact is, Workers Commissions and the Communists want to negotiate. But we know perfectly well that we will not be able to negotiate with the employers organization of Ferrer Salat unless at the same time the workers unite, mobilize and put pressure on.

Defending Our Rights By Pressure and Negotiations

Therefore at the same time that it has called for the major national workers rally in Madrid, for 14 October, Workers Commissions has signed an agreement with the CEPYME [expansion unknown] that proposes to the Spanish confederation of employer organizations and to all union organizations that negotiations begin immediately on labor union contracts. Workers Commissions negotiates and pressures, pressures and negotiates, and only by negotiating and pressuring, pressuring and negotiating, will workers be able to defend their rights. Only if they are all united will they avoid being the only ones to pay the price of the crisis.

We give this answer to those who criticize the stand of us Communists. It is true, we Communists have advocated four sided negotiations among the governments, political parties, unions and employers. But neither wages nor working conditions were being negotiated. It is up to the unions and to employers to negotiate these points. The question here is negotiating to work out an economic program to deal with the crisis, and an economic program is not the exclusive affair of unions and employers. An economic program is the policy of the country, of the government, of the parties. What we do not and cannot understand is that our comrades in the PSOE are saying that only the unions and employers should negotiate the country's economic policy. That is the difference that has existed between us and them in the matter of negotiations.

The Spanish Left Must Come To an Understanding

Clearly (and I will soon be concluding, comrades), the Spanish Left must come to an understanding. They should not worry so much that they are a larger party and that we are a party with fewer votes. We know that already, and it does not matter to us. Regardless of the votes that they have and regardless of the votes that we have, the important thing is that they understand that they need us just as we need them and that the people and the workers need for the Communists and Socialists to reach an understanding, to work together and to struggle to carry democracy forward in this country.

There was a day when the workers of this country had confidence. There was a day when the crisis of confidence was dispelled. That was the day when the municipal pacts were made and when the workers saw that Communists and Socialists were finally able to come to an agreement. Well then, in order to shatter this climate of distrust that exists among wide-ranging sectors in our country, it is true that we must combat terrorism; it is true that we must tackle the problems of the economic crisis; it is true that we need a government other than the one we have today, a government in which the democratic forces carry greater weight, but above all, I would say, what we need is for the people to see that Communists and Socialists are determined to transcend their narrow party interests in order to shape the future of our country, in order to consolidate democracy and in order to pave the way for a new society.

This is the appeal that we are all making at this mass meeting, an appeal for unity, an appeal for understanding, an appeal to abandon egotistical and narrow party stands, an appeal to place the interests of the workers before all else, an appeal to place the future of the peoples of Spain above all else.

The Spanish Left is not in power, and it might be some time before it is, but what we are saying here today is that the Spanish Left can be a very decisive influence in the policies of this country's government if it unites and if it decides to be influential. That is our responsibility; that is the responsibility of our Socialist comrades, and all of us must realize that when it comes time for the workers to vote, they are going to ask themselves who defended unity. And the party or parties that have the support of the workers will be the ones that have placed the interest of unity, the interest of democracy, the interest of socialism, the interest of Spain above all other interests.

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CEOE LEADER INTERVIEWED, DISCUSSES ORGANIZATION'S AIMS

Madrid ACTUALIDAD ECONOMICA in Spanish 29 Sep-5 Oct 79 pp 16-18, 21, 23, 24

[Report on interview with Carlos Ferrer Salat, first president-elect of CEOE (Spanish Confederation of Business Organizations), by Pilar Cambra and Jesus Martinez Vazquez; date and place not given]

[Text] Carlos Ferrer, doomed to reach understanding, even with Fernando Abril Martorell, which by now is almost the pinnacle of understanding; and with his colleagues (and yet friends), the business owners, as well as with Nicolas Redondo, and the entire UGT [General Union of Workers] behind him, to find out whether we are all creating Social Democracy. The great captain of CEOE puts forth his statements regarding the new course of events. They do not all tally; but they are served on the silver tray of understanding.

So tall and thin, so doubled over precisely because of his height, so much a Catalanian and so deliberate; and then it turns out that Carlos Ferrer Salat, the first president-elect of CEOE, with a term of 3 years, has a streak of the Marx brothers humor which leaves you glued to your chair. For instance when, in commenting on the public image of business owners, he says that he is, of course, aware that jokes are still made about them and they are depicted in a ludicrous manner, fat, with a cigar in their mouths and a great many rings on fingers resembling sausages; but that now, as you can see, you find him as the top-ranking representative of those business owners, someone as skinny as a long-barreled musket, who does not smoke and whose only ring is a silver wedding band. And, at last, he smiles with an underlying sadness and asceticism, as if the pathetic, melancholy Woody Allen were concealed behind the mask of Groucho Marx.

Let This Be Written...

And, in fact, it all began a little like "A Night At the Opera," "A Day At the Races" or "Duck Soup." Comings and goings in the office, notes, telephone calls, "would you like coffee?"; "two coffees:" "have they brought the coffee?"; "I'm going for some papers." He sits down, rises, and another gentleman sits down, later rises and finally leaves....Even the best comedy director would go insane with so many "shifts" and "star appearances." It.

is dreadful. Finally, a certain amount of calmness pervades this office, which is nearly as long as a subway train, with a similar flow of people; and the curtain rises, for once and for all, leaving only Carlos Ferrer on stage. And then the action begins, with new stage directions: "Where are we going to take the photos?" "Outside?"...."But everything around this building is so cold; no, no, I don't care if the image turns out to be a little structural. Do you want me to hide behind this plant on top of the desk? I realize how wanting I am as an ecologist. Good, all right, agreed, we shall decide later."

And it appears that, finally, the "gags" have ended.

Yes, he knows that he will have to discuss the government's economic program, "the umpteenth plan, yes, yes, the umpteenth;" the pact with the UGT, the dissent within managerial circles themselves, the strikes and, in short, all the issues that comprise the many-hued, disrupted world of our national economy. These are the highlights; we cannot help but suffer this great humiliation. Perhaps the occasion, perhaps inner shyness, or perhaps a cosmic boredom has precluded even a mention of the "hot autumn."

And Carlos Ferrer has now seated himself at the desk with the "economic program dossier" in his hand. Of course, he is not waiting for the eternal song of "what do you think (believe, feel, regret, delete whatever is inappropriate) about the government's new economic program?" A pertinent question, but one worn out from use. Let us take matters to a more personal realm, more related to the contradiction that exists between the verbal praise that Carlos Ferrer has given to the cabinet and the devastating skepticism that is evident in the CEOE's critical text.

(Even earlier, the protagonist has introduced a new addition to the script. "Yes, yes, we are in an extremely insecure place. In this building there are Arab embassies, multinational headquarters... In short, all we need is a group of Israelis to reach the maximum degree of danger." And Carlos Ferrer laughs a little, what else can he do?)

"Well, I don't see any contradiction...I have participated very directly in writing the CEOE's comments on the government's economic program. Our text reflects exactly what I think and also exactly what I have said."

A well-known view, yes: "The economic program contains a positive philosophy." Carlos Ferrer relaxes his long body slightly, as if freeing himself from a burden carried for a long time: "The first thing is that there is an economic program; and that is something. We have fought hard to find out what the government was going to be guided by in its economic policy over the next few years; and the Parliament requested this too. Now we have, or know that philosophy, that strategy. And this is essential. Secondly, the model that has been outlined in the program is the same one that has been shaped in all the West European countries and the United States. There is the same concern over waste and the lack of efficiency and productivity in the public sector."

And now he is very firm, like the other great captain, rendering accounts with bells shattered by so much tolling of victory: "Because if there is no control over the public sector, or limits and demands for results, it can ruin the richest country in the world. This has happened in Sweden, which is always cited as a model." And one realizes that, for better or worse, Sweden is like a magic mirror to a certain Spanish social class which asks: "Tell me, Sweden, what can your experience teach us?" But, briefly, "We must liberalize the economy and labor relations, and encourage initiative and the capacity for creation, as well as savings and investment." And thus, it is as if the economic primer had been considered reviewed.

"But the problem (he has also said it here, there and everywhere where there are ears to hear and understandings to be understood) is that there is a danger that the program may not be carried out. The important thing is not to speak, but to accomplish."

And That Is How It Is Carried Out

"...Because I think that it will be very difficult for the government to achieve control over the public sector. The plan itself does not specify the way to attain this."

The program also states that investment must be encouraged. The terminology in general is quite well known.

"Some measures have been gathered which the present legislation allows. But the philosophy of the program does not imply its accomplishment. That is why we must insist that the important thing is that it be fulfilled. And I think that, in order to do so, there must be a public presence, a personal commitment and priority attention to the matter on the part of the president of the government."

The 'Deus Ex Machina'

Why?

"Because the control of the public sector requires an enormous political force which, in my opinion, only the president of the government has."

...And, therefore, none of the ministers comprising the economic group in the cabinet has.

"What I am saying is that the president is the one with the most force, precisely the force required to control the public sector."

Couldn't even Mr Suarez' "alter ego," Fernando Abril, deal with this matter? Don't you think that Mr Abril is the president's spokesman on economic affairs?

"I insist in my belief that Suarez has more political force than any of his ministers, including Fernando Abril. That is obvious. Furthermore, all the European 'leaders,' from Giscard to Thatcher, have personally taken on the economic area, and not only with regard to the public sector. The private sector also needs to have confidence restored. And who is the person who can best restore it? The president of the government. The millions of investors must know that the president considers the economy a priority area. And that has not been the case thus far."

There might be too much work for just one man; too many burdens (autonomy, international policy and now the vast economic mass) for one man alone; too many "last resorts" in a system, a democratic one, which has the delegation of authority among its features. If the business owners also think that the philosopher's stone is in the hands of a single alchemist, we might as well turn off the lights and leave. Isn't this dangerous? Carlos Ferrer says: "All I know is that, when the seven 'great' Western nations meet once a year, the seven heads of state, including that of Japan, meet solely to discuss the economic issue."

Then perhaps a new race of titans has come into existence and, in our ignorance, we have been incapable of observing the resurrection of the new Olympus. Carlos Ferrer, smoothing down the pages in front of him, says: "No, no, the economy is the number one political issue. In Spain, on the other hand, the economic issue has been downgraded, even politically. First, the constitution, then the autonomies and now international policy..." In this regard, it should be pointed out that Carlos Ferrer feels a certain amount of uneasiness upon learning that, during this incipient autumn, the politicians have closeted themselves with only the game of diplomacy in their hands. He experiences a verbal but ironic jolt that is customary as soon as the topic is mentioned, even in passing. "No, it doesn't bother me, but it so happens that the economy is what everyone lives on each day. We do not live on what is going on in Nicaragua, but rather on a salary, a job, a factory that should remain open. And every other aspect of the nation's existence is determined by this: culture, education, science and even politics."

Are you sure that the government has not had a political view of the economy to date?

"It has had a secondary, and even tertiary view."

But one still hears charges that the government is continuing to manipulate the economy politically, as in Francoist times.

"Don't mention it! Here, they don't even know how to manipulate the economy politically."

There is still some doubt that a resplendant appearance of President Suarez would prompt an act of faith on the part of business owners. After all, they too have always had a list of petitions which seemed endless: elections, constitution, clarification of the labor laws. They too appear to

be bottomless pits. Carlos Ferrer admits: "Perhaps the business owners are calmer now, but there are 7 million Spanish investors who are withdrawn and fearful. In any event, it is far more than an act of faith; it should be a reality. Suarez' appearance as a political 'show' could have a certain amount of value as 'marketing.' But what is vital is that the economic issue be given the fundamental importance that it merits. We are not asking for a 'show' of any kind."

The Thaw

A year ago, perhaps less, Carlos Ferrer was someone already at the helm of management, but this did not free him from his status as a new arrival in the centralist, bureaucratic and politicized everyday Madrid of ours. At that time, he was bewailing, with a certain amount of emotion, his problems in establishing a productive relationship with the government. It was no secret that Carlos Ferrer did not get along well with Fernando Abril. And now, now he is possibly one of the few Spaniards who has achieved a line of intervention with the vice-president.

When did the thaw begin? Who changed, you, CEOE or the government? What happened?

"Well, the fact is that CEOE upholds a model of society, and is attempting to have this model develop. As this occurs, there will be fewer confrontations with the leaders of the society. Right now, the Spanish political areas have approached those of their counterparts in Europe. The degree of confusion has been greatly reduced."

...And this obviously affords breather, a knowledge of whom one is talking to: political forces here, loyal and sovereign people there, business owners on this side...and far more than that: "Two years ago, everyone here was on the left; or, rather, there were 90 percent leftists and 10 percent fascists. There was no center, no right center, no left center, no conservatives. Now we have become Europeanized, so that, as the political parties perform their true functions better, our degree of concern, that of the business owners, is declining. In this sense, you understand, only in this sense."

And could it not be that the government has agreed with them?

"No. What has happened is that the government is doing what its opposite parties have been doing in other European countries."

It has become more identified with its role.

"That is so."

To Plan Or Not To Plan

Carlos Ferrer wants to complete the topic of the economic program. For this purpose, perhaps, he has a spotless sheet in front of him containing a series of words in fine print which comprise a script. One might say that he is a meticulous actor faced with the "role" of his life.

"In addition to the fact that it is essential for the plan to be carried out, the program requires a series of complements: fiscal adjustment (our current fiscal system penalizes investment and savings, and encourages consumption), a reform of the labor relations system, regulation of credit, changes in the public sector (including social security), attention to small business and facilities for entering the profession of a business owner. The latter is particularly important."

But there is in all this far more than making the economy sound. You are almost asking for a social change, and a change through the laws when, (according to history) it is the societies which carry out legislative reforms. Furthermore, what degree of planning or programing can be tolerated by a people at the very beginning of democracy, and at the height of their euphoria over liberty? These are rather complex matters....

"I think that an interaction exists between the society and its laws. However, I agree that the society must change in order to have this variation later reflected in the laws. But I am certain that the changes can be hastened, or killed before they come into existence; so it is necessary to sensitize all those who could affect the change and the laws: the public, the political parties...CEOE is also one of those institutions, and hence it has its role in that sensitizing process. I am a person who is more for the society than for the state. It is my opinion that, in a democracy, the society has more of a capacity for mobilization and can drive the state in one direction or another."

And the type of planning?

"Well it is the centralized Russian type of planning of which we are the foes. Then we have the Spanish development plans of the 1960's, which had a negative effect....But the government's program does not contain any of that, but rather a philosophy and some broad lines of action. Thus, the implementation of the plan and its control are fundamental."

The Skipper and the Crewman

You have said: "Without business owners, we would be in the paleolithic age." Why are Spanish business owners still tormented by an inferiority complex?

"The fact is that, when the workers in one firm after another are questioned, the image of the business owner has not declined. The image of business owners as a whole is far worse than that of individual business owners."

And then, there has been a politicization of the matter, a coating of Marxism and class struggle. There is still a need to demonstrate the real, valuable work that the business owner performs. Without business owners, there would be no workers, nor trade unions either. They have made a decisive contribution to the spectacular rise in the standard of living that the West has experienced."

We don't know how many collective psychoses or how many splits in the community personality Spanish society can withstand. Many, it would see What about a country in which the majority votes center or right center, and which professes a socio-labor leftism; a country which would heed the summons to a general strike, or which responds to the calls for brutal strikes?

"A strike can sometimes be associated with a specific problem, but, basically, it is a political problem. If there were no coercive pickets in Spain, there would be far fewer strikes; because I believe that the worker does not want a strike, but if they threaten him physically, he has no other recourse than to participate in it. Hence, there is no solution other than to legally regulate the right to free access to work. A strike is the final instrument in negotiation but, before resorting to it, all the others must be exhausted. This is fair, as opposed to what is going on at present, when the strikes are being politicized through the fault of the Workers Committees; because their trade union action is based on political slogans of the Communist Party."

You are convinced of that....

"Totally convinced."

You agree with Nicolas Redondo in this regard.

"And with many more people, with the vast majority."

Whether a majority or a minority, some harbor the suspicion that the CEOE's pact with the UGT is not free from political sin either. Perhaps it is a tripartite operation involving the government, business owners and the socialist trade union to neutralize the strength of the Workers Committees. Perhaps. But, Carlos Ferrer does dare to cast the first stone:

"The agreement with UGT is based on the best Western tradition of business owners and trade unions. We are social forces destined to reach an understanding. The experience wherein there was no understanding is abundant in Spain, and it has always ended in civil war. On the other hand, the path that has led to the prosperity of the West has been that of dialog and accord, a path typical of democracy. If what is desired is the path of dictatorship, or civil war, then that is another matter...."

The Revolt of the Rank and File

Then why have certain organizations of business owners affiliated with CEOE revolted against the agreement with UGT? Do you have dissidents too?

"Democracy is exactly the balance of forces between the majority and minority. Unanimity occurs only under communism or a dictatorship; CEOE and I believe in democracy. There is unanimity in Russia, or in a dictatorship to which I don't want to return. I can say that there has been an overwhelming majority in favor of the agreement, but it seems very natural to me that there has not been unanimity."

Has the majority really been so overwhelming?

"Yes, for example, CEIM [expansion unknown] has not accepted the pact; but CEIM has exactly 18 representatives among the 410 comprising the CEOE's general assembly. There is not so much dissidence either. I would like maximum unanimity, but I don't consider that even human."

But doesn't any dissidence upset the unity among business owners?

"I believe that the unity among business owners has become remarkably intensified in 1 or 2 years. And the CEOE has made a great leap forward. But it is a process that cannot be completed in 2 years; some European management organizations have had a history of 100 years. And the youngest one went into operation in 1946. So, they have a great advantage over us. The political parties and trade union organizations have to progress more too; and what doesn't?"

'Inter Pares' [Among Equals] Conflicts

It is in agreement. It has also divested itself of the irritability that coincided with the first fall of the leaves. Nudges with its opponents, tremors at the base and, finally, worries among equals. The fire of emotion has been up to its old tricks. CEOE (at all times within the limits of economic education and good breeding) has scuffled with the Chambers of Commerce and with the CEPYME [Spanish Confederation of Small and Medium Businesses]; perhaps they are only brotherly scraps. Or are there disputes over the occupation of territory? It is as if Carlos Ferrer were waiting for someone to commit the indiscretion of discussing intimate family affairs far from home. And perhaps for this reason what he does is describe the limits of each one's territory and trust that nothing very serious will happen, and that Septimo de Caballería will not have to intervene in the battle between the Apaches and the Sioux.

Or is it that you don't attach much importance to the dissension, because the head of the masses is always more judicious than their heart?

"Possibly, but also the different missions are very clearcut. As for the Chambers, I should say, first of all, that I am a Chamber person. I was trained in them; it was there that I began to concern myself with the matter of business owning. Their role is clear; they are official agencies to advise the government, and business firms must necessarily participate in them. Their role is very important in the economic and business world insofar as

training, participation, territorial representation and international relations are concerned. But, for example, the Chambers cannot intervene in labor affairs. And that is all. CEOE and the Chambers simply have different missions."

The "gag" catches you by surprise again. Carlos Ferrer is imitating, with complete accuracy, the expression and language of Agustín Rodríguez Sahagún, then minister of defense and previously the creator of the CEPYME. Carlos Ferrer, in the role of Rodríguez Sahagún, and in order to explain the differences between the CEPYME and CEOE, declares: "A business firm has sectorial interests and local problems, as well as others which, owing to their dimensions, require different organizations in order to be resolved. In brief, the top-ranking organization, namely, CEOE, in which all of them converge, does exist. CEOE is concerned with the interests of all the business firms." To summarize: According to the Ferrer version, CEOE and CEPYME get along well. They have even set up consulting committees, which are like the family meals at which all the brothers and sisters gather occasionally. The CEPYME [General Confederation of Small and Medium Businesses of the Spanish State] is like a brother who is not mentioned....

Judicious Administrators

At the present time, the CEOE's headquarters is located in a building which is part of the pseudo-Manhattan that is being erected on Generalísimo Avenue in Madrid. The buildings, including Carlos Ferrer's office, are a strange mixture of modernism and shabbiness. It all seems temporary, as if purchased at a sale in a big department store (desks, bookcases, chairs and even vases with dried flowers); but the panel at the entry which controls several alarm devices indicates that there is something settled about everything. It is possible (as Carlos Ferrer claims) that the members of CEOE are "judicious administrators who adhere to a budget." In fact, it is a small budget. Judicious and observant members of CEOE have devised the finances "by inventing little and looking a great deal. We have tried to do the same thing as the other organizations of business owners in the West. And the budgets of all of them are devised mainly through direct contributions from individual business firms. And that is how we started too, with contributions from the 110 organizations joined together in CEOE."

CEOE will have to spend the year with a budget of 130 million pesetas; which is small when compared (Carlos Ferrer makes the comparison) with that of the management entities in Sweden or Austria, "which are far smaller countries. And we need 300 or 400 million as a minimum." Hence, it will be necessary to make an effort to create a mentality for voluntary contributions. And now, "we are observing that the various sectors are recovering their spirits." So CEOE is not yet in a position to prepare the special budget that was mentioned while its business firms were not "recovering their spirits." It might even go so far as to establish annual dues for each firm amounting to "between 200,000 and 250,000 pesetas; but never compulsory, rather voluntary, as the CEOE statutes stipulate." Insofar as the holdings are concerned,

"They are zero at the present time. They will have to be formed, because all the Western management entities have them. And they are important holdings. The trade unions have them too. The Swedish management organization has holdings amounting to 17 billion pesetas...." So the creation of holdings "is something else that we must accelerate." But, in the long run, Carlos Ferrer does not venture any "holdings figure," because that, apparently, does belong in the strictest confidence of the business owning family.

Final 'Flashback'

It is even annoying that the best time for proposing the hypothesis has now passed. Oh, that March of this same year, when the Socialists surrounded the walls of Moncloa! That would have been the instant, the time to ask Carlos Ferrer what his CEOE would negotiate with a Socialist government. But a certain amount of "flashback" is allowed, something like poetic license, which would reduce the tension being experienced by the Spanish Socialists at present, deciding whether to be greyhounds or hound dogs. So, what would it negotiate? "The market economy." In other words, set, match, ball.... Too much. "Well, I shall break it down: that it have maximum respect for the free market economy and for free enterprise, as the majority of Western Socialist Parties have. Furthermore, I would try to convince the Socialists using all the means at my disposal not to 'nationalize,' but to place the emphasis on the society and on the social institutions. In short, to opt for a cooperative rather than for nationalization."

So, you would like the next secretary general of the Spanish Socialist Workers Party [PSOE] to be Felipe Gonzalez....

"The PSOE must decide upon that. What I would like is that the line representing the Spanish Socialists be a Socialist line and not a Marxist one."

Very moderate. You don't even ask the Social Democrats....

"In am content with a non-Marxist Socialism."

Doomed to reach understanding, yes. Perhaps his sense of humor, which is slightly patrician and also somewhat naive, with a certain foothold in the realm of the absurd, will be of great help to him.

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